



At Bukit Darah PLC, we serve a broader spectrum of consumers by offering a wider range of products and services including oil palm plantations, beverages, investment, real estate and leisure.

Spanning Sri Lanka and South-East Asia, we're one the best grounded diversified conglomerates in Asia, strong in our core business, yet expanding rapidly into the many new opportunities we see ahead.

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GROUP AT A GLANCE

(All figures in Sri Lankan Rupees thousands unless otherwise stated)

<i>For the year ended 31st March</i>	2011	2010	% Change
Group revenue	37,727,528	23,865,375	58
Profit from operations	13,228,422	7,544,919	75
Profit before taxation	13,000,716	8,267,477	57
Profit after taxation	10,155,609	6,607,250	54
EBITDA	13,945,603	8,616,682	62
Profit attributable to ordinary shareholders	3,254,265	2,902,646	12
Shareholders' funds*	14,030,137	12,836,409	9
Net assets*	46,789,402	31,422,099	49
Total assets	77,903,028	51,067,359	53
Total debts	23,505,260	12,814,355	83
Net debts	12,377,485	11,450,778	8
Debt/total assets	30%	25%	20
Return on ordinary shareholders' funds (%)	23	22	2
Earnings per share (Rs.)	32	28	12
Net assets per ordinary share (Rs.)	138	126	9
Market capitalization (Company)	119,697,000	30,000,000	299
Revenue to Government	7,336,562	4,703,664	(86)
Group value addition	24,513,486	16,608,025	25
Group employment (Nos.)	11,672	6,943	8

* Excluding preference share capital

LEISURE

Room rate competition, which was for a long time the retardant for industry profitability, also showed strong recoveries, prompted by the setting of a regulatory minimum of USD 147 for Five Star city hotels.

189%
up
Profit After Tax
Rs. 58 million

BEVERAGE

The three gold awards won by Lion Lager, Lion Imperial and Lion Strong in the Monde Selections this year and the Grande Gold Award won by Lion Stout bear testimony to our commitment to quality in our business.

66%
up
Profit After Tax
Rs. 1.1 billion

OIL PALM PLANTATION

The entry into midstream and downstream operations needs to be complemented by supply chain integration, effective logistics support and linkages & alliances with businesses across the value chain.

INVESTMENTS

Ceylon Guardian, would carry the diverse risks within the investment business, including those of the management companies, offering those investors who prefer a broader exposure the choice of being with that company.

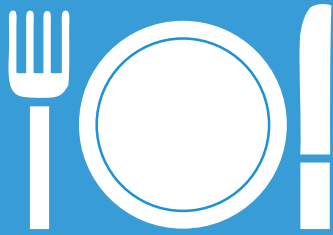
41%
up
Profit After Tax
Rs. 2.2 billion

REAL ESTATE

The valuable property portfolio and land bank owned by the sector, continues to be its greatest strength and its future potential when the real estate market recovers amidst rapid economic development.



THE GROUP HOLDINGS



69%
up
Profit After Tax
Rs. 6.7 billion

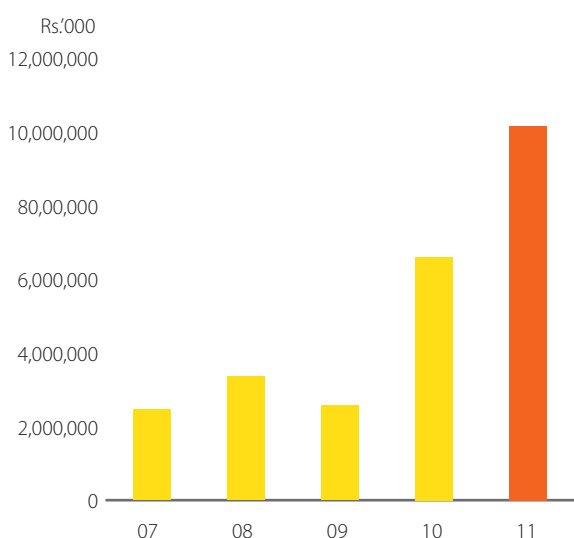


124%
up
Profit Aftr Tax
Rs. 28 million



CHAIRMAN'S STATEMENT

Profit After Tax



53%
up
Profit After Tax
Rs. 10.1 billion

The year turned out to be one of growth and expansion for the two main investment holdings Carson Cumberbatch PLC (CCPLC) and Goodhope Asia Holdings Limited (GAHL) within the Group. CCPLC is consolidated as a direct subsidiary of the Company whilst results of GAHL group gets consolidated as a group subsidiary via CCPLC.

Dear shareholders,

I welcome you to the 95th Annual General Meeting of the Company and take pleasure in presenting to you the Annual Report including the Audited Financial Statements for the year ended 31st March, 2011. The year turned out to be one of growth and expansion for the Company's two main investment holdings, Carson Cumberbatch PLC (CCPLC) and Goodhope Asia Holdings Limited (GAHL) within the Group. CCPLC is consolidated as a direct subsidiary of the Company whilst results of GAHL group gets consolidated as a group subsidiary via CCPLC. Consolidated profit after tax amounted to Rs.10.15.bn, recording a growth of 54%, supported by better performance in the commodity business, as well as strong recoveries in the Sri Lankan businesses of Carson Cumberbatch.

The Company benefitted from the restructuring process within the plantation sector of the Carsons Group. Its long standing investment in subsidiary, PT Agro Bukit, which owns a oil palm plantation and oil processing facility in Indonesia, was taken under the main plantation holding company of the Carsons Group, Goodhope Asia Holdings Limited. In compensation Bukit Darah PLC secured a stake of 35.19% in the latter, thus giving it an exposure to a diversified oil palm plantation company which is investing in all areas of the integrated palm oil value chain. Thus from a commercial perspective, ownership of such an integrated player in the industry which has opportunities to engage in all areas of the value chain rather than in the upstream business alone, has a two fold benefit. Firstly, an integrated player is better able to manage the risks of the commodity business since the

downstream business is less exposed to global price fluctuations. Secondly, by getting closer to the consumer end of the value chain, GAHL would be able to build a brand and goodwill for its products in the food industry.

The balance business exposure of the Company comes through the local businesses of Carsons Group. The brewery and investment sectors performed well, benefitting from the revival in economic activity and local capital markets. Both sectors re-organised their operations, to focus more on the local market and the associated business opportunities in each sector. The brewery business was able to achieve more penetration in the Northern and Eastern markets, as well as from the general feel good factor in the country and pick up in tourism. The investment business ventured into new segments in the industry comprising alternate asset classes such as private equity and strengthened its client management business. The real estate and leisure sectors of the Group recorded a positive performance, recording a turnaround in the business which we believe will be sustained in the future.

We believe both major investment holdings would continue to generate value for this Company in the years to come and that both carry sufficient resources and capacity to expand their business models further to maintain their growth momentum and competitiveness in the years ahead. Thus shareholders could look forward to sustained earnings growth and returns through both CCPLC and GAHL.

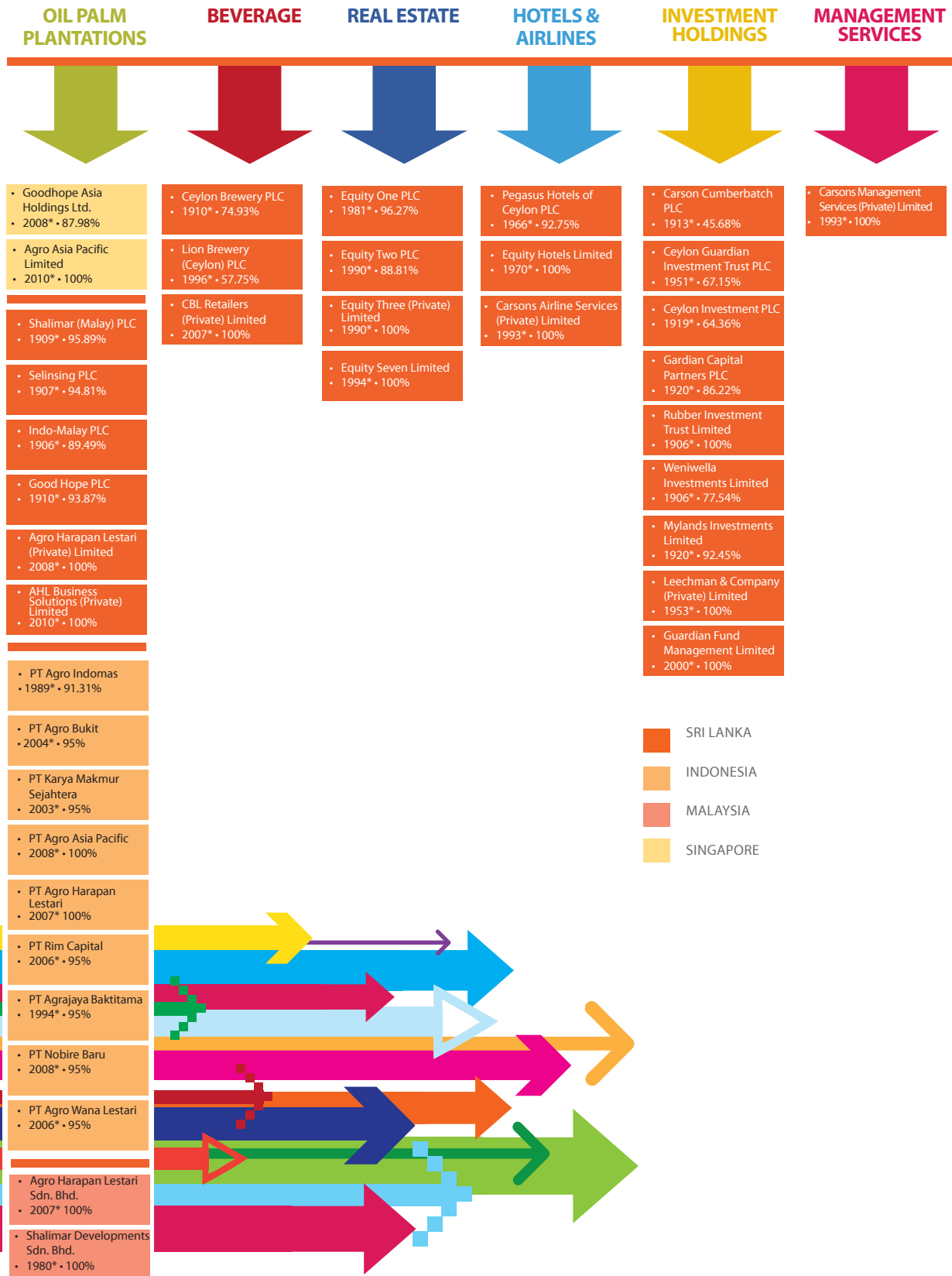
In conclusion, I would like to thank the Board of Directors for their continued commitment and valuable insights, and the Audit Committee for their diligent oversight. I express my appreciation to the staff of the companies where we have invested, since it is their effort which has enhanced the value of what we hold. Most importantly, I thank the policy makers and regulators for creating an enabling environment for businesses to function and their understanding of our immediate business needs. Thank you to our shareholders for their continuing confidence in our Company and we hope to be able to meet their aspiration for superior returns in the years to come.

(Sgd)

H. Selvanathan
Colombo

26th May, 2011

GROUP STRUCTURE



- SRI LANKA
- INDONESIA
- MALAYSIA
- SINGAPORE

% refers to group interest
* refers to year of incorporation

SUMMARY OF OPERATING SEGMENTS

Bukit Darah PLC and consolidated subsidiaries and associates

(In Sri Lankan rupees thousands)

For the year ended 31st March

	Growth in 5 year time	2011	2010	2009	2008	2007
REVENUE						
Investment Holdings	181%	6,851,700	5,262,630	7,205,657	1,495,060	2,438,070
Oil palm plantations	499%	23,412,363	13,828,517	9,494,199	9,991,072	3,908,296
Beverage	199%	11,867,534	8,293,766	6,371,164	5,345,883	3,973,233
Real estate	84%	179,746	192,979	115,458	95,008	97,767
Hotels	182%	336,758	222,784	187,465	163,873	119,611
Airlines	(63%)	4,173	7,421	8,516	7,760	11,367
Management services	61%	200,281	139,107	145,045	127,530	124,619
	302%	42,852,555	27,947,204	23,527,504	17,226,186	10,672,963
Intra-group transactions	807%	(5,125,026)	(4,081,828)	(6,436,564)	(1,617,965)	(565,088)
Consolidated Revenue	273%	37,727,528	23,865,375	17,090,940	15,608,221	10,107,875
SEGMENTAL PROFIT						
Investment holdings	82%	2,268,191	1,611,095	1,537,315	82,272	1,243,853
Oil palm plantations	529%	6,711,608	4,456,277	1,217,070	3,131,791	1,067,056
Beverage	7998%	1,124,227	676,402	115,595	202,243	13,883
Real estate	(86%)	28,916	(119,552)	(268,449)	10,472	207,012
Hotels	245%	61,900	19,329	(13,499)	(31,291)	(42,574)
Airlines	(209%)	(3,306)	892	882	913	3,023
Management services	(2%)	(35,927)	(37,193)	(24,328)	(40,610)	(35,229)
Consolidated Net Earnings	313%	10,155,609	6,607,250	2,564,586	3,355,790	2,457,024
SEGMENTAL NET WORTH						
Investment holdings	561%	11,606,268	5,802,697	3,975,895	3,543,403	1,755,129
Oil palm plantations	140%	26,776,797	18,849,897	10,614,746	13,084,032	11,177,329
Beverage	164%	5,205,378	3,789,380	2,358,663	2,284,962	1,969,485
Real estate	6%	2,121,560	2,020,755	1,739,390	2,010,572	2,008,788
Hotels	85%	1,106,865	918,318	893,321	592,174	597,664
Airlines	(68%)	1,002	3,793	3,357	3,754	3,176
Management services	(100%)	(46)	26,731	46,116	38,175	59,956
Consolidated Net Worth	166%	46,817,824	31,411,571	19,631,488	21,557,072	17,571,527

OPERATIONAL REVIEW

Given below is a brief synopsis of the Company's two business holdings.

Carson Cumberbatch PLC

Carsons performance this year was not only driven by the good performance of the plantation business, but also by strong pick up in performance from its local businesses. The brewery sector in particular, strengthened its market penetration, driven by better income levels, the conducive environment for entertainment events and push in tourism. All these are trends we foresee will continue, if Sri Lanka were to continue on its present growth path. Thus new investment in capacity expansion took place this year and further similar financial commitments would be required in time to come to invest in the retail network as well as in brewing capacity. The business outlook is positive under the current circumstances, although constrained by the usual issues of inadequate policy measures to curb illicit liquor, penal tax rates and advertising ban.

The investment sector consolidated its business model in preparing for the growth opportunities that lie ahead by segmenting its public equity, private equity and client management businesses into specialized entities to focus the risk profiles of each corporate better. With a clear business strategy in place, the sector would look towards further developing its volumes and capabilities in these different areas of business, including the mutual funds industry, which the sector entered in the current year in a joint venture with Acuity Partners (Private) Limited, the investment banking arm of DFCC and HNB Banks.

The real estate and property businesses continue to hold a valuable portfolio of assets which can be re-deployed into more profitable business models through strategic alliances and collaborations. Carsons would look to enhance the value generating capabilities of this asset portfolio through appropriate alliances that would enhance the competitiveness of the business models of these sectors, for instance through widening the portfolio of properties and hotels that it operates together with other players.

Goodhope Asia Holdings Limited

GAHL this year consolidated all the Carsons Group plantation properties under its own umbrella which encompasses all the plantation business interests of the Group. The company

now comprises the majority holdings of the four Malaysian oil palm companies listed on the Colombo Stock Exchange and approximately 97,000ha of plantations in Indonesia and Malaysia with a crude palm oil processing capacity of 270MT /hr. Bukit Darah PLC and Carson Cumberbatch PLC together made an offer to the minority shareholders of the Malaysian companies this year to further consolidate this Group shareholding, while the minority shareholders were offered Carsons and Bukit shares giving them exposure to a much wider business model than owning a single Malaysian estate.

Further, GAHL has also this year made an offer to acquire Premium Nutrients Bhd a Malaysian listed company with extensive operations in India, involved in the downstream business in specialty fats. The acquisition of USD36mn is awaiting regulatory approval. The acquisition would move us closer to the business to business end of the value chain where we would be supplying raw material to key food industry players in Malaysia and India. The entry to the downstream segment also provides a hedge against commodity price exposures which were thus far faced by the upstream plantation business.

In the upstream business, the scaling up of hectareage has enabled us to enjoy greater economies of scale in sourcing, logistics, agronomy skills, palm oil trading, systems and processes. The organization structure has been expanded significantly to take up the additional responsibilities centered around a rapidly growing entity.

Conclusion

The Company is encouraged by the progress recorded in both businesses in which it holds significant stakes. Their ability and capacity to expand their constituent businesses have been well demonstrated in the past and looking at the quality of their balance sheets, they appear to have the financial and human resources required to continue on their respective growth paths. Matching their expansion plans to macro level trends both in Sri Lanka and internationally, we see that opportunities in the global commodity business & food industry would continue to grow given the growing demand in emerging economies and the accompanying scarcity of resources the world over to expand agri business. Within Sri Lanka, the economic resurgence driving post war growth would support the expansion of the local businesses which we have an exposure to.

PROFILES OF THE DIRECTORS

COMPANY

Hari Selvanathan

Hari Selvanathan is Deputy Chairman of Carson Cumberbatch PLC and President Commissioner of the palm oil related companies in Indonesia. He holds Directorships in several subsidiary companies within the Carsons Group and is also a Director of Sri Krishna Corporation (Private) Limited, South Asian Breweries (Pte) Ltd, Singapore and Carlsberg India Private Limited. He is also the Chairman of Express Newspapers (Ceylon) Ltd and Carsons Management Services (Private) Limited, the Groups Management company. Past President of the National Chamber of Commerce and Past Vice Chairman of the International Chamber of Commerce (Sri Lanka).

Counts over 20 years experience in commodity trading in International Markets. He holds a Bachelor of Commerce Degree.

Mano Selvanathan

Mano Selvanathan is the Chairman of Sri Krishna Corporation (Private) Limited, Ceylon Finance & Securities (Private) Ltd. and Selinsing PLC and is Group Director of most Companies in the Carson Cumberbatch Group in Sri Lanka, Indonesia and Malaysia and an active Member of its Executive Management Forums. He is also the Deputy Chairman of Ceybank Asset Management (Pvt) Ltd. He is a Director of Holcim (Lanka) PLC, Carlsberg India Private Limited, South Asian Breweries (Pte) Ltd., Singapore. Past Chairman of the Indo Lanka Chamber of Commerce & Industry and has served as the Chairman of the Ceylon Chamber of Commerce and as the President of the Rotary Club of Colombo North.

Mano Selvanathan was conferred the highest National Honours in Sri Lanka the 'DESAMANYA' title by H.E. The President of Sri Lanka, in recognition of the services rendered to the Nation.

In January 2011 he was awarded with the prestigious 'PRAVASI BHARATIYA SAMMAN AWARD' by the President of India in Delhi. He holds a Bachelors Degree in Commerce. He is also the Hon. Consul of the Republic of Chile in Sri Lanka.

Israel Paulraj

Chairman of Ceylon Guardian Investment Trust PLC, Ceylon Investment PLC, Guardian Capital Partners PLC (formerly Watapota Investments PLC) and Rubber Investment Trust Limited. He serves as a Director of Carson Cumberbatch PLC

and of several of the subsidiary companies within the Carsons Group. He is the Chairman of the Incorporated Trustees of the Church of Ceylon.

He served as Past Chairman of the Federation of Exporters Associations of Sri Lanka and The Coconut Products Traders Association. He was a Member of the Executive Committee of the Ceylon Chamber of Commerce, National Chamber of Commerce of Sri Lanka Shippers Council. He served on the Board of Arbitrators of the Ceylon Chamber of Commerce. He has served as Hony. General Secretary of the Central Council of Social Services, Hony. Treasurer of The Christian Conference in Asia, President, Church of Ceylon Youth Movement and Hony. Treasurer National Christian Council of Sri Lanka.

He also served on the Presidential Task Force on Non-Traditional Export and Import Competitive Agriculture set up by President R.Premadasa. He also served as Chairman of the Ecumenical Loan Fund of Sri Lanka and on its International Board in Geneva. He was a member of the Commercial Law Reform Commission and has served on the Parliamentary Consultative Committee on Internal and International Trade.

He holds a Bachelor of Law Degree and an Executive Diploma in Business Administration.

Chandima Gunawardena

Director of Carson Cumberbatch PLC. He serves as a Director in most of the Carsons Group Companies in Sri Lanka and overseas. He is a member of the Group's Strategic Planning Forum. He also serves as a member of the Audit Committees of the Group in Sri Lanka and overseas. Mr.Gunawardena has over three decades of experience in varied fields of business and commercial activities and has held senior positions in the Corporate Sector. He is a Fellow of the Chartered Institute of Management Accountants, UK.

Chandana Tissera

Director of Carson Cumberbatch PLC and presently serves as the Chief Executive Officer for the Overseas Plantation Sector of the Carsons Group. He is also a Director of several other subsidiary companies of the Group. He has served as the Chief Executive Officer of the Investment Sector and as the Head of Finance of the Carsons Group.

He has previously served on the Board of the Union Assurance PLC and counts over 26 years of experience in the fields of manufacturing, financial services, capital market operations, overseas plantations, project development and

management services. He is a Fellow of the Institute of Management, UK.

Nalake Fernando

Director of the Property Management Companies of the Carson Cumberbatch Group - Equity One PLC, Equity Two PLC, Equity Three (Private) Limited, Equity Seven Limited, Equity Lands (Private) Limited, Carsons Management Services (Private) Limited and in some of the Boards of the Malaysian Plantation Companies of the Carsons Group. Was the Country representative for Sri Lanka with Dalekeller & Associates Ltd., Designers and Skidmore Owings & Merrill Architects. Counts over 37 years of work experience. Was a Director of SKC Management Services Ltd. Holds a Technician's Certificate of the Institute of Work Study Practitioners of UK.

CARSON CUMBERBATCH PLC

Tilak de Zoysa

FCMI (UK), FPRI (SL)

Tilak de Zoysa was conferred the title "Deshabandu" by His Excellency The President of Sri Lanka in recognition of his services to the country and was the recipient of "The Order of the Rising Sun, Gold Rays with Neck Ribbon" conferred by His Majesty The Emperor of Japan.

He is Chairman of Carson Cumberbatch PLC and the President of Associated Motorways Group of Companies, Amaya Hotels and Resorts, USA and Helpage Sri Lanka. He was appointed Chairperson of HelpAge International U.K. effective March 2011. He also serves as a Board Member of other listed companies such as John Keells PLC, Taj Lanka Hotels Ltd., Lanka Walltiles Ltd., Nawaloka Hospitals Ltd. Mr. de Zoysa is the Honorary Consul for Croatia and a Past Chairman of the Ceylon Chamber of Commerce, National Chamber of Commerce of Sri Lanka and the Plastics & Rubber Institute, Sri Lanka.

Hari Selvanathan

(Please refer under Company profile)

Mano Selvanathan

(Please refer under Company profile)

Israel Paulraj

(Please refer under Company profile)

Chandima Gunawardena

(Please refer under Company profile)

Suresh Shah

Director and Chief Executive Officer of Ceylon Brewery PLC and Lion Brewery (Ceylon) PLC. Also Director of Carson Cumberbatch PLC and The Sri Lanka Business Development Centre. Currently serves as the Deputy Vice Chairman of the Ceylon Chamber of Commerce and is a Vice President of the Sri Lanka Institute of Directors and the Confederation of Asia Pacific Chambers of Commerce & Industry (CACCI).

He also serves on the council of The Employers Federation of Ceylon and The Mercantile Services Provident Society. He is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka.

Chandana Tissera

(Please refer under Company profile)

Vijaya Malalasekera

Director of Carson Cumberbatch PLC. He served as Director - Corporate and Legal Affairs at Ceylon Tobacco Company PLC and now serves as a Non-Executive Director in the same company. Chairman of Ascot Holdings PLC, Bogala Graphite Lanka PLC, Ascot Developments (Pvt) Limited, Axis Financial Services (Pvt) Limited, Fairway Condominium (Pvt) Limited, Boston Capital (Pvt) Limited, Boston Asset Management (Pvt) Limited and is a Director of Taprobane Holdings Limited. Holds a M.A. (CANTAB), Barrister-at-Law (Inner Temple) and Attorney-at-Law of the Supreme Court of Sri Lanka.

Mangala Moonesinghe

Barrister-at-Law, Middle Temple, London and legal practitioner for over 30 years. He was a Member of the Parliament of Sri Lanka (1965-1977 and 1989-1994) and the High Commissioner of Sri Lanka to India (1995-2000 and 2002-2005) and to the United Kingdom (2000-2002). Past Chairman of the Parliamentary Select Committee to arrive at a national solution to the ethnic conflict and restore peace and a Member of the Parliamentary Committee on Public Enterprises. Year 2006-Chairman, Marga Institute (Centre for Development Studies). He is the Executive Director of One Text Initiatives. Has a vast amount of international experience and has served on several committees, including the Steering Committee of the Asian Parliamentarians Training Programme for Conflict Resolution and the Commonwealth Parliamentary Association. He was awarded the Eisenhower Fellowship in 1975. Member of the Group of Eminent Persons appointed by the Heads of State of South Asian Nations to identify measures and mechanisms to enhance the effectiveness of SAARC to achieve its objectives.

Faiz Mohideen

Director of Carson Cumberbatch PLC since January 2008. Holds a B.Sc. Degree in Mathematics from the University of London and a M.Sc. Degree in Econometrics from the London School of Economics. Former Deputy Secretary to the Treasury and Director General, External Resources Department, Ministry of Finance & Planning.

SUBSIDIARY COMPANIES

Ajith Weeratunge

Director of the Carson Cumberbatch Group's Management Company, Carsons Management Services (Private) Limited and holds the position of Head of Finance. Also Director of the Property Sector Companies of the Group, including Equity One PLC, Equity Two PLC, Equity Seven Limited and Groups Investment Holding Sector - Ceylon Investment PLC and Rubber Investment Trust Limited. Accounts for more than 31 years of finance related experience in the mercantile sector and has held positions in Lanka Walltile Ltd., Union Apparels (Pvt) Ltd., John Keells Holdings PLC, Phoenix Industries (Pvt) Ltd and Ceylon Brewery PLC. He is a Fellow Member of the Chartered Institute of Management Accountants of UK.

Asoka De. Z. Gunasekera

Director of Ceylon Guardian Investment Trust PLC and Ceylon Investment PLC. Also serves as Alternate Director to Mr. I.W. Senanayake (Chairman) of IWS Holdings (Pvt) Ltd and in most Group companies. Past Chairman of the National Chamber of Commerce of Sri Lanka and Past President of the Ceylon National Chamber of Industries. He is a Past International Director and a Board Appointee of Lions Clubs International and was also a Member of the National Police Commission of Sri Lanka. He served as Legal Advisor and Secretary to the Ministry of Posts and Telecommunications; Co-ordinating Secretary to the Ministry of Power and Energy and Ministry of Highways and was the Acting Secretary to the Ministry of Policy Planning.

Chandratne Liyanage

Director of Lion Brewery (Ceylon) PLC. Commenced his career as a trainee Brewer with Ceylon Brewery PLC in 1979 and was promoted to Senior Brewer and subsequently to Factory Manager. In 1998 he took up the position as Factory Manager at Lion Brewery (Ceylon) PLC and was promoted to his current position as Head of Technical in 2004. Holds a Special Degree in Botany from the University of Peradeniya (Sri Lanka) and has attended several overseas training programs, including Carlsberg Brew Masters Course, training

with Allied Breweries (UK) & Carlsberg Tetley Leeds Brewery (UK) and Management programs at Cranfield University, UK and National University, Singapore.

Chrisanta F. Fernando

Director of Selinsing PLC and Equity Three (Private) Limited. Qualified as a Chartered Accountant in England and Wales, is a Fellow of the Institute of Chartered Accountants of Sri Lanka. Gained 18 years of financial management experience as Senior Accountant at Carson Cumberbatch PLC. Held positions of Director, National Lotteries Board and Director, Coconut Cultivation Board. Past Chairman of Low Country Products Association (LCPA). Served as Managing Director followed by a period as Chief Executive Officer at Distilleries Company of Sri Lanka PLC (DCSL) and presently an independent non executive Director and Chairman of the Audit Committee of DCSL. Also Director of Melstacorp Private Limited. At present Senior Trustee of the Ceylonese Rugby & Football Club.

Christoforus S. Pakadang

Director of the Regional Plantation Sector Management Company of the Carson Cumberbatch Group in Indonesia. He is responsible for Tax planning & administration in addition to overlooking local external affairs of the Group's plantations in Indonesia.

He joined the Carsons Group plantation sector in January 2006 as Head of External Relations. He holds a degree in Accounting from University of Indonesia and commenced his career as an Accountant in IBM Jakarta prior to joining Ernst & Young, Indonesia. He has functioned as a Senior Manager at Ernst & Young, Indonesia, where he was involved in auditing and consulting assignments across variety of industries inclusive of plantations, manufacturing, property management, mining support services and oil & gas. He is a Member of the Indonesian Institute of Accountants and has served on the Education and Development Committee of the Institute. He is a Registered Accountant in Indonesia and has also passed the examinations of Certified Public Accountants in Indonesia.

Cubby Wijetunge

Chairman of Ceylon Brewery PLC and Lion Brewery (Ceylon) PLC, Union Residencies Ltd and Chairman Emeritus, Nestle Lanka Ltd. He is also a Director of Hunter & Co. Ltd, Janashakthi Insurance, Swiss Trading Company, East India Retailing Company (Pvt) Ltd., Heath & Co.Ltd., and Lanka Canneries Ltd. Also serves as Trustee of Joseph Fraser

Hospital. In addition he is a Member of the Monetary Policy Consultative Committee of the Central Bank of Sri Lanka and President of the Swiss Business Club of Colombo.

Dato' Voon Loong Chin D.S.P.N

Director of Lion Brewery (Ceylon) PLC, Deputy Managing Director of Carlsberg Brewery Malaysia Berhad. He is also a Director of Carlsberg Singapore Pte Ltd. (Singapore), Gorkha Brewery Pvt. Ltd. (Nepal), South East Asia Brewery Ltd. (Vietnam), International Beverage Distributors Ltd. (Vietnam), Carlsberg Distributors Taiwan Limited (Taiwan), Carlsberg Cottingham Ltd. (Taiwan), Luen Heng F & B Sdn.Bhd. (Malaysia) and also serves on the Board of several private companies within the Group. Dato' Chin is a Member of the Governing Council of the Confederation of Malaysian Brewers Berhad.

He is a Fellow Member of the Institute of Chartered Accountants in England and Wales. He is also a Chartered Accountant with the Malaysian Institute of Accountants, an Associate Member of the Malaysian Institute of Taxation, Affiliate of The Malaysian Institute of Chartered Secretaries and Administrators (MAICSA), Member of the Institute of Public Relations Malaysia and Member of the Malaysian Alliance of Corporate Directors.

He previously held the positions of Chief Financial Officer, Commercial Director, Company Secretary and Executive Director, Corporate Affairs prior to his current position in Carlsberg Brewery Malaysia Berhad. He holds a Bachelor of Science (Honours) Degree in Systems and Management from The City University, London.

Donald Fernando

Director of Equity One PLC and Equity Two PLC and the Managing Director of Conimex Limited – Civil and Structural Engineers and Director of Fernando Rajapakse Associates (Private) Limited - Consulting Engineers and Project Managers.

He was attached to The Sri Lanka Ports Authority and London Borough of Greenwich, London as a Civil Engineer. He is a Member of the Institution of Civil Engineers, London (MICE London), Institution of Engineers, Sri Lanka and also a Member of the Society of Structural Engineers, Sri Lanka. He holds a B.Sc (Eng) from the University of Ceylon.

Eranjith Wijenaik

Director of Equity One PLC and Equity Two PLC. Managing Director of Central Finance Company PLC, Deputy Chairman

of Nations Trust Bank, an associate company of Central Finance. Served as a member of the Board since inception of the Bank. He is a Director of several other listed companies both within and outside the Central Finance Group with over 27 years of management experience. Holds a Bachelor's Degree in Commerce and a Postgraduate Diploma in Finance and Management. Member of the Chartered Institute of Management (UK).

Faizal Mathunni

Director of PT Rimcapital. Mr. Faizal Mathunni, graduated from Aligarh University, India with B.Sc (Hons) in Chemistry. He served in the plantation industry for 34 years and has gained experience in planting and managing sugar cane, cocoa, banana and oil palm. He has been working in Indonesia since 1993 and was involved in various plantations development projects in the most remote areas in Indonesia.

He joined the Company in 1998 as the Group Plantation Manager for Sungei Rungau and Sungei Perun Estates. He was promoted as Plantation Advisor covering field agronomy, audits, quality control and health and safety procedures.

In 2005 he was promoted to General Manager to take charge of PT Agro Bukit- Central Kalimantan.

In 2008 transferred to PT Agro Bukit, South Kalimantan as General Manager.

Promoted to Regional Controller in 2011 to take charge of development works in South Kalimantan and Papua, Irian Jaya.

Janaka Jayawickrama

Director Legal of the Regional Plantation Sector Management Companies of the Carson Cumberbatch Group in Indonesia, Malaysia and Sri Lanka and is responsible for all legal and corporate matters of the Plantation Sector Companies. She joined Carsons in 1997 and managed all legal affairs of the Carson Cumberbatch Group as Head of Legal. Having practiced in a law firm and working in the corporate sector she counts over 21 years of experience in the fields of litigation, banking, corporate and commercial law. She is an Attorney-at-Law of the Supreme Court.

Jayaprakash Mathavan

Director of Goodhope Asia Holdings Ltd and Agro Asia Pacific Limited. Counts over 21 years of work experience in the fields of auditing, manufacturing, plantations and trading. Is an

Associate Member of the Chartered Institute of Management Accountants - U.K.(CIMA), a Fellow of the Association of Chartered Certified Accountants-U.K. (FCCA) and a Member of the Malaysian Institute of Accountants (MIA). Also holds a Bachelors Degree in Commerce.

Kenneth Sellayah

Director of Good Hope PLC, Shalimar (Malay) PLC and Prime Property Management Services (Pvt) Ltd. Former Director of Shaw Wallace & Hedges Ltd., General Manager of Ceylon Trading Co. Ltd, and Director of several of its subsidiaries and Managing Director of Scanships Ltd. Served as Chairman of the Coconut & General Products Exporters Association and the Exports Section of the Ceylon Chamber of Commerce.

Former Director of CPC (Lanka) Ltd. CPC Agrifoods Ltd. and Member of several Committees of the Ceylon Chamber of Commerce. Member of The Institute of Exports, UK and the Chartered Management Institute, UK.

Kevin de Silva

Director IT of the Regional Plantation Sector Management Companies of the Carson Cumberbatch Group in Sri Lanka, Indonesia and Malaysia. He leads the ICT organization for the plantation sector and champions the cause of aligning ICT as an enabler in realizing the sectors strategic goals. Previously held the post of General Manager-IT for the Carsons Group. Having worked locally and overseas he has over 21 years of experience in the ICT industry in both technical and management capacities in leading multinational organizations. Professional in Software Engineering and is a member of BCS.

Keshini de Silva

Director of Carsons Management Services (Private) Limited, the Group's Management Company. She has over 20 years of experience in the fields of project financing, merchant banking and management services and has been with the Carsons Group since 2001. Prior to joining Carsons, worked as a Senior Project Analyst-Corporate Finance Department of the National Development Bank of Sri Lanka. She holds a BSc in Business Administration (Finance Major) from the University of Wisconsin, Superior, USA and is a Fellow of the Institute of Chartered Secretaries and Administrators, UK.

Krishna Selvanathan

Director of Carsons Management Services (Private) Limited, the Investment Sector Group Companies and Lion Brewery

(Ceylon) PLC. He is also a member of the Investment Sector Management Team.

He holds a BA Degree in Accounting & Finance and Business Administration from the University of Kent, U.K

Liew Irene

Director of Shalimar Developments Sdn. Bhd. Executive Director of Boardroom Corporate Services (KL), Sdn. Bhd. Currently an Associate Member of the Malaysia Institute of Chartered Secretaries and Administrators and has been involved in corporate secretarial work for 15 years.

Manilal Fernando

Director of Ceylon Investment PLC and Ceylon Guardian Investment Trust PLC and is currently the Chairman of Holcim (Lanka) Ltd., Shipping & Cargo Logistics (Pvt) Ltd., Hyundai Lanka (Pvt) Ltd., Stallion Plantations (Pvt) Ltd., and Dynamic AV Technologies (Pvt) Ltd. Director of Piarus (Pvt) Ltd., Aitken Spence & Co. PLC., and Sri Lankan Airlines Ltd. He is also a Trustee of Joseph Fraser Memorial Hospital.

He has been the Past President of the Football Federation of Sri Lanka from 1979 to 1999. He is a Member of the FIFA and AFC Executive Committee, Asian Cup Organising Committee and Chairman Competitions Committee AFC. He is also a Member of the Players Status Committee of FIFA and the FIFA Development Officer for South and Central Asian Countries, as well as the Vice President of the National Olympic Committee of Sri Lanka from 1990 to date. Attorney-at-Law & Notary Public.

Mavath Ramachandran Nair

Commissioner of PT Agro Indomas. Director of IJM Plantations Bhd; EcoOils Processors Sdn Bhd; EcoChances Sdn Bhd; Eco Innovation Sdn Bhd; The Incorporated Society of Planters, ISP Management Sdn Bhd and Saraya Hygiene Malaysia Sdn Bhd.

Former Director and Head of Plantations of Franco-Belgian multi-national, Socfin Company Berhad.

Served as the Chief Executive of the Malaysia Palm Oil Association (MPOA), the merged umbrella trade association tasked with the function of balancing the needs and interests of the Malaysian plantation industry. Involved in the establishment of the Roundtable on Sustainable Palm Oil (RSPO), a multi-stakeholder certification standard in 2004, served as its Vice President and currently the Advisor to the

Executive Board of RSPO. He has served on the Management Committee and Council of the London based International Association of Seed Crushers (IASC), the ASEAN Vegetable Oils Club (AVOC), as a Member of the Task Force on Sustainability of the Washington based International Policy Council (IPC) on Agriculture, Food & Trade and as a Lead Discussant to the World Bank Group's Study on Engagement in the Palm Oil Sector.

Has over 51 years professional experience in the agro-commodities industry with particular focus in the tree crop plantations. Has been honoured with the Fellowship awards of the Incorporated Society of Planters, Malaysian Oil Scientists' & Technologists' Association and the British Institute of Management

Melia Tjandrawinata

Commissioner of PT Agro Indomas. Presently Financial Director of PT Kawat Mas Prakarsa and Commissioner of PT Lianggang Cemerlang. Has 11 years of service at ABN AMRO Bank, Jakarta, as Credit Control Manager and Private Banking Manager.

Holds a Bachelor of Arts Degree in Economics from York University, Canada.

Minoli Perera

Director of Carsons Airline Services (Private) Limited and Head of Operations. Has over 20 years experience which include working for a leading travel agency and the General Sales Agency for Air France, KLM Royal Dutch Airlines and Martinair.

Holds IATA fares and Ticketing Certificate of Sri Lanka Airlines and Intermediate and Advance Fares and Ticketing Certificate of KLM Royal Dutch Airlines and formal training in Reservations, Sales and Marketing. Chairperson of the Sri Lanka Association of Airline Representatives for two consecutive years since 2009.

Niloo Jayatilake

Director of Guardian Fund Management Limited and heads the portfolio management division of the management company. Counts over 15 years experience in the investments field. Prior to joining the Carsons Group worked as Fund Manager at The Unit Trust Management Company Limited, managers of Ceybank Unit Trust Funds in Sri Lanka.

Is an Associate Member of the Chartered Institute of Management Accountants, UK and Associate Member of the Institute of Chartered Secretaries and Administrators, UK.

Prasanna Amarasinghe

Director of Lion Brewery (Ceylon) PLC and is responsible for the marketing function of the Brewery Sector. He has over 21 years of experience in the field of marketing and has held many senior positions in this area.

Pushpakumara M. Withana

Director of Pegasus Hotels of Ceylon PLC and Equity Hotels Limited.

Former Chairman of the Sri Lanka Tourist Board and former Director, Food & Beverage, Keells Hotels Sri Lanka and Maldives. Formerly was the Director/ General Manager of Keells Hotels. Past Chairman of the Hotel & Catering International Management Association U.K, Sri Lanka Chapter and Past President and Fellow of the Ceylon Hotel School Graduates Association. Also was Past District Governor of the International Association of Lions Clubs Sri Lanka. Graduate of the Ceylon Hotel School.

Ranil Goonetilleke

Director of Lion Brewery (Ceylon) PLC and CBL Retailers (Pvt) Ltd. Obtained his training at KPMG Ford, Rhodes, Thornton & Co, and thereafter joined the Haycarb Group in 1989 where he worked in different capacities in the field of finance until he left its employment as Divisional Manager (Finance). He joined Lion Brewery (Ceylon) PLC in 1998 in the capacity of Financial Controller and was appointed Director Finance in 2004. He is a Fellow of the Chartered Institute of Management Accountants, UK.

Rizan Jiffrey

Director Planning & Business Development of the Regional Plantation Sector Management Companies of the Carson Cumberbatch Group in Indonesia, Malaysia and Sri Lanka. He is responsible for overseeing the successful planning, structuring and commencement of key capacity enhancement, plantation development & business expansion projects within the Sector.

He joined Carsons Group Plantations Sector in Colombo as Financial Controller in 2003, having previously held managerial and senior managerial level positions in the mercantile sector in national and multi national companies. He counts over 20 years of experience in the accounting, finance & business planning field in manufacturing, trading & services, FMCG sector and in the plantation industry.

He is a Fellow Member of the Chartered Institute of Management Accountants - UK (CIMA), holds a M.Sc in Management, is also a passed finalist of the Institute of Chartered Accountants of Sri Lanka and has professional qualifications in marketing (CIM) & information technology (ACS). He previously served on the council of the Chartered Institute of Management Accountants (CIMA) Sri Lanka division, having chaired its Marketing and Promotions Committee.

Rose Cooray

Director of Ceylon Guardian Investment Trust PLC, Ceylon Investment PLC and Hatton National Bank PLC. Joined the Central Bank of Sri Lanka in 1974 and served the Central Bank in several capacities, covering a wide area of subjects, until retirement as a Deputy Governor in May 2009. During this period, also served the Ministry of Finance in the capacity of the Director General of Fiscal Policy and Economic Affairs department and held the post of Secretary to the Monetary Board. Represented the Government on the Boards of Ceylon Electricity Board, Sri Lanka Telecom, Sri Lanka Export Development Board and DFCC Bank. Has over 37 years experience in the financial sector formulating and implementing economic and fiscal policies.

Holds a B.A (Hons.) in Economics from the University of Peradeniya and Masters Degree from the University of Strathclyde, UK.

Roy Enzo Bagattini

Director of Lion Brewery (Ceylon) PLC, Senior Vice-President, Africa and Asia for Carlsberg A/S and Carlsberg Breweries A/S, based in Hong Kong. Currently part of the Executive Committee of the Carlsberg Group and also sits on the Board of several private companies within the Carlsberg Group.

Holds a Bachelor of Commerce degree from the University of South Africa and has also completed various study programs at Stanford University, USA and Oxford University, UK. Worked formerly for SABMiller where he was the Regional Managing Director for Eastern Europe. Held several senior general management positions in South Africa and the USA as well as being the country Managing Director of SABMiller in India, China and Italy.

Ruvini Fernando

Director of Guardian Fund Management Limited, the Fund Management Company of the Carsons Group and a Director of The Sri Lanka Fund - a foreign incorporated country fund

managed by Guardian Fund Management Limited. Associate Member of the Chartered Institute of Management Accountants, UK and a Fellow of the Association of Chartered Certified Accountants, UK. Has a Masters Degree in Business Administration from the Postgraduate Institute of Management (PIM), University of Sri Jayewardenepura.

Counts over 21 years work experience in the fields of Management Accounting, Finance, Research Analysis, Strategic Planning and Investments, within the Hayleys Group and Carson Cumberbatch Group. Was a former visiting faculty member of the Postgraduate Institute of Management in the MBA programme. Member of the Regaining Sri Lanka Tourism Steering Committee, a key policy making forum of the government from January 2002 to January 2004. Represents the Guardian Group on the Board of Durdans Medical and Surgical Hospital (Private) Limited, in which the Group has an equity stake.

Sanjaya Upasena

Director – Sustainability of the Regional Plantation Sector Management Companies of the Carson Cumberbatch Group in Indonesia, Malaysia and Sri Lanka and also Deputy Head of Plantation Operations in Indonesia. He is responsible for upstream plantations in Indonesia inclusive of planning and developing new plantations, whilst overlooking the sustainability development initiatives of the group. Commenced his career at PriceWaterHouse Coopers and joined Carsons Group in 1999 as a Sector Accountant. He functioned as the General Manager Plantation Operations and the Regional Financial Controller for the Plantation Sector of the Carsons Group having previously held senior finance positions within the Carsons group in Sri Lanka. An Associate member of the Institute of Chartered Accountants of Sri Lanka and of the Chartered Institute of Management Accountants, UK

Sega Nagendra

Director of Equity One PLC and Pegasus Hotels of Ceylon PLC. Former Senior Director of Carson Cumberbatch PLC and several of its subsidiaries and associate companies.

Senior Director and Financial Consultant of CML-MTD Construction Ltd., Executive Chairman Travelserv Ltd., and Travelon Ltd. He is also Chairman and Director of several public listed and private companies.

Past President of Skal International Colombo (International Association of Travel and Tourism Professionals), Past

Secretary of the Skai International, Asian Area Region and Past President of the Pacific Asia Travel Association (Sri Lanka Chapter). Chairman of the Sri Lanka Benelux Business Council and Vice Chairman of the Sri Lanka-Pakistan Business Council. Served as an Executive Committee Member of The Ceylon Chamber of Commerce and former Chairman of the Imports Section of the Ceylon Chamber of Commerce. Past President of the Chartered Management Institute-U.K., Sri Lanka Branch. Fellow of the Chartered Management Institute-U.K. Master of Business Administration UK and Fellow of the Certified Professional Managers, Sri Lanka .

Soren Hansen

Director of Ceylon Brewery PLC and also Director of Mergers & Acquisitions and Business Development in Carlsberg Breweries A/S. Prior to joining Carlsberg worked with Deloitte & Touche, Copenhagen, Denmark. During his tenor in Carlsberg has held Finance and Project Managerial positions in Vietnam and Hong Kong, as well as being involved in/responsible for the majority of Carlsberg's expansion projects in emerging Markets since 2000. Mr. Hansen is based in Copenhagen. Holds a Masters Degree in Business Administration & Auditing and a Bac.Degree in International Trade.

Subramaniam Mahendrarajah

Director of Guardian Capital Partners PLC (formerly Watapota Investments PLC), Equity One PLC, Weniwella Investments Limited, Leechman & Company (Private) Limited and Mylands Investments Limited. Group Finance Director of Sri Krishna Group of Companies.

Has wide experience in manufacturing, trading, financial services and management. Past President of the Rotary Club of Colombo Down Town. Recipient of the prestigious "Service above Self" award from Rotary International.

Subash Chelliah

Commissioner of PT Rim Capital, was the former Vice President of Bumiputera Commerce Bank, Kuala Lumpur, presently known as Commerce International Merchant Bankers Berhad.

Susan Evans

Director of Lion Brewery (Ceylon) PLC. Counts over 30 years experience in strategy and marketing, largely with multi-national consumer product companies, Gillette, GlaxoSmithKline and Whirlpool. Whilst based in the UK, held an international strategic marketing position and managed a

global nutritional drinks brand portfolio with a turnover of £330 million worldwide. In the past 10 years has been working as a Senior Consultant in India and Sri Lanka on a wide variety of assignments covering industries as diverse as soft drinks, retail, passenger cars and industrial export products. Currently works with STING Consultants, a leading strategic marketing and brand consultancy company in Sri Lanka. Also serves as a Trustee with the Hemas Outreach Foundation, a national charity funding pre-school education. Holds a Bachelor of Arts (Hons) from the University of Wales, UK.

Syarif Bastaman

Director of PT Agro Indomas and PT Agro Bukit. He is the Managing Partner at Bastaman & Co, Law Firm, Jakarta. President Director of Syabas Energy, Operations Cooperation Agreement of PT Pertamina (2007 up to present). Secretary General of Indonesian Lawyers Union (SPI) (2005 to present). Chairman Legal Committee of All Indonesian Football Association (PSSI) (2007-2011). Holds Professional Memberships in the Association of Legal Consultants to the Capital Markets (HKPM) since 1995 and Association of Receiver and Administrator Association (AKPI) since 2000. Head of Legal Practice Department of Inter Pacific Bar Association (IPBA)-Tokyo (2005 to 2007).

He is currently Chairman of the Indonesian Squash Association (Pengurus Besar Persatuan Squash Indonesia) (From 2004). He specializes in the corporate/commercial law, capital market, investment, intellectual property rights, banking and finance, construction, plantation, mining and infrastructure projects.

Graduated in Law from the Universitas Padjajaran, Bandung in 1987. Member Indonesian House of Representative (DPR RI Fraksi PDI Perjuangan).

Tai Yit Chan

Director of Shalimar Developments Sdn. Bhd. Managing Director of Boardroom Corporate Services (KL) Sdn. Bhd. Currently an Associate Member of the Institute of Chartered Secretaries and Administrators, UK and has been involved in corporate secretarial work for over 17 years.

Tennyson Rodrigo

Director of Good Hope PLC. Former Managing Director and Chief Executive of Capital Development and Investment Company PLC and Chairman of CDIC Sassoon Cumberbatch Stockbrokers (Pvt) Ltd. Past Chairman of the Audit

Committee of Eagle Insurance PLC. He is the Expert Advisor to the Carson Cumberbatch PLC - Audit Committee in respect of the Real Estate, Hotels and Airlines, Investment Holding and Financial Services and Management Services Sector Companies of the Group. Holds a B.Sc. in Chemistry and Mathematics from the University of Ceylon and a B.Sc. (Hons) degree in Chemical Engineering from the University of New South Wales, Australia. Chartered Engineer and a Member of the Institute of Chemical Engineers, UK.

Wijaya Unamboowe

Commissioner of PT Agro Indomas. Former Chairman of Carson Cumberbatch PLC and Lion Brewery (Ceylon) PLC. Former Director of Ceylon Brewery PLC and several Plantation Sector Companies within the Carsons Group. Accounts for over 51 years of work experience in diverse fields. Also served on the Board (Commissioner) of the Securities and Exchange Commission of Sri Lanka.

William Knight

A co-founder of Emerisque Brands, a London-based fundless sponsor of private equity transactions in the consumer brands/retail universe, is an alternative Asset Investment Specialist who has spent almost his entire career involved with financial development of Companies and projects in the emerging markets. He originally specialised in project finance at Lazard Brothers, following which he spent 18 years in various senior positions in the Lloyds Bank group based in London, Hong Kong and Portugal. Since 1991 he has served in a wide range of non-executive positions as an independent Director or advisor based in London.

Amongst his various board positions, he currently is Chairman of Abingworth Bio Ventures II, an early stage biotechnology investment Company and the China Opportunities Fund. He is a director of the JP Morgan Chinese Investment Trust, where he chairs the Audit Committee; Fidelity Asian Values Trust, where he is the senior independent Director; and Axis Fiduciary Ltd, a Mauritius

based financial services provider. He also chairs public equity investment funds for India and recently for Russia, Vietnam and as the independent member of the board of Axis Private Equity, a Mumbai based private equity Company.

His advisory assignments have included: the Asian Development Bank, the government of Mauritius, the British Government Know-How fund, Aureos Capital, CDC and Clearwater Capital; (investors in and restructuring specialists of Asian debt). He has an on-going advisory assignment with Campbell Lutyens, the private equity fund placement specialists and Gravitas Capital Advisers and its affiliates, which is based in Washington DC. He is a regular member of City of London missions around the globe and is a Liveryman of the Worshipful Company of World Traders, where he is involved in Commonwealth initiatives. He is on the UK Board of Relief International a World Bank funded disaster relief NGO.

Wong Gang

Director of Goodhope Asia Holdings Ltd. Partner in Shook Lin & Bok's Corporate Finance and International Finance practice. Also a member of the firm's China practice and has advised multinational corporations and Singapore Companies on joint ventures and cross border transactions in China, as well as on public offerings of securities in Singapore by companies from China.

He has advised on a wide range of corporate finance and securities transactions, including stock market floatations, rights issues, securities regulation for public listed companies, mergers and acquisitions, joint ventures as well as general corporate advisory work.

He has been cited by Chambers Asia as one of the leading corporate lawyers in Singapore for the capital market. He graduated with LLB (Hons) from the National University of Singapore in 1995 and was admitted to the Singapore Bar in 1996.



MANAGEMENT TEAMS



OIL PALM PLANTATION

Chandana Tissera
Director / CEO

Jayaprakash Mathavan
Director Finance

Rizan Jiffrey
Director Planning and Business Development

Ms. Janaka Jayawickrema
Director Legal

Kevin de Silva
Director IT

Sanjaya Upasena
Director Sustainability / Deputy Head of Plantation Operations

Christoforus Pakadang
Director / Head of Tax

Shalike Karunasena
Deputy Chief Financial Officer

Sahad Mukthar
Head of Corporate Planning

Chris Obeysekera
Head of HR



BEVERAGE

Suresh Shah
Director / CEO

Prasanna Amerasinghe
Director Marketing

Chan Liyanage
Director Supply Chain

Ranil Goonetilleke
Director Finance

Ms. Sharlene Adams
Head of Exports

Wasantha Heenatigala
Manager Marketing

Shiran Jansz
Head of Procurement

Ms. Nausha Raheem
Head of HR

Nishantha Hulangamuwa
Head of Outbound Supply Chain

Eshantha Salgado
Manager Quality Assurance

Janaka Bandara
Production Manager

Preethi De Silva
Business Development Manager

Janaka Kiridena
Head of Sales Operation

Hiran Edirisinghe
Chief Engineer

Arjuna Jayasinghe
Head of IT

Roshan Bandara
Head of Operations - Pub Chain

Chandana Wijesundera
Financial Controller



INVESTMENT HOLDINGS

Ms. Ruvini Fernando
Director - Guardian Fund Management

Ms. Niloo Jayatilake
Director - Guardian Fund Management

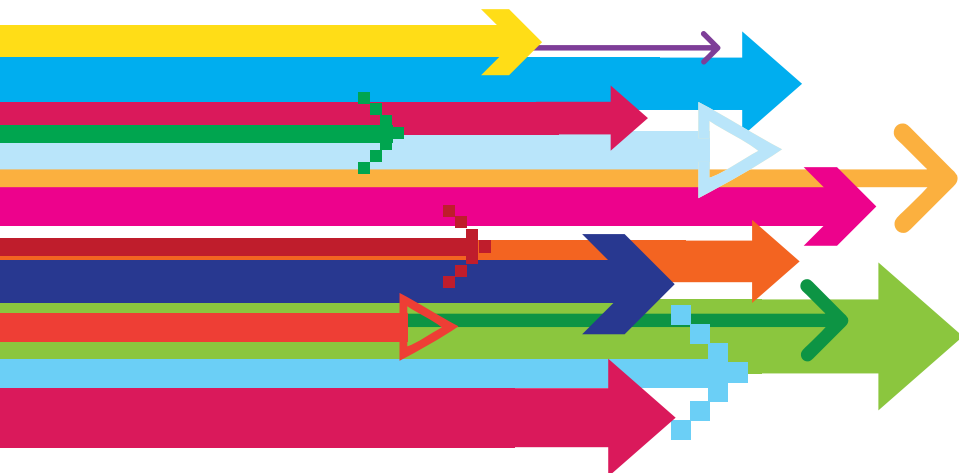
Krishna Selvanathan
Director

Vibath Wijesinghe
Financial Controller

Tharinda Jayawardena
Head of Research

Sumith Perera
Fund Manager

Gayan Karunarathna
Accountant





REAL ESTATE

Nalake Fernando
Director Property Management

Krishna Selvanathan
Director

S. Rajaram
Head of Engineering

Vibath Wijesinghe
Financial Controller



HOTELS & AIRLINES

Paddy Withana
Director - Hotel Sector

Ms. Minoli Perera
Director - Carsons Airline Services

Ajith Weeratunge
Director - Management Services

Niranjan Naganathan
Resident Manager - Pegasus Reef Hotel

Ganeshan Thiagarajah
Resident Manager - Giritala Hotel

Kapila Gunatillaka
Accountant

Ms. Mala Munasinghe
Executive Housekeeper

Suresh Athukorale
F & B Manager

Nimal Perera
Engineer

Mustaq Ahmad
Sales & Marketing Manager

Manjula Fernando
Asst. Front Office Manager

Senarath Ekanayake
Accountant

Mahinda Tennekoon
House-keeper

Hendrick Nandasena
Chef

Rajendra Kumar
Executive Chef



MANAGEMENT SERVICES

Ajith Weeratunge
Director

Ms. Keshini De Silva
Director

Krishna Selvanathan
Director

Ms. Shirani Jayasekera
Head of Audit

Ms. Amali Alawwa
Head of Legal

ANNUAL REPORT OF THE BOARD OF DIRECTORS ON THE AFFAIRS OF THE COMPANY

The details set out herein provide the pertinent information required by the Companies Act No. 7 of 2007, Listing Rules of the Colombo Stock Exchange and recommended best accounting practices. The Annual Report was approved by the Directors on 26th May 2011.

GENERAL

The Directors have pleasure in presenting to the Shareholders their report together with the audited financial statements for the year ended 31st March 2011 of Bukit Darah PLC, a public limited liability company incorporated in Sri Lanka in 1916.

PRINCIPAL ACTIVITIES

The principal activities of the Company consist of investing in Oil Palm Plantation, Beverage, Investment Holdings, Real Estate and Leisure sectors.

The principal activities of the subsidiaries and associates are set out in the Operational Review sections of this Annual Report.

There have been no significant changes in the nature of the activities of the Group and the Company during the financial year under review.

REVIEW OF OPERATIONS AND FUTURE DEVELOPMENTS

The Chairman's Statement on page 4 and Operational Review on page 8 provide an overall assessment of the business performance of the Group and its future developments. These reports together with audited financial statements reflect the state of affairs of the Company and the Group.

The segment-wise contribution to Group Results, Assets and Liabilities are provided in Note 12 to the financial statements on pages 60 to 62.

Revenue

Revenue generated by the company amounted to Rs 131 mn (2010 – Rs.332 mn), whilst group revenue amounted to Rs.37,728 mn (2010 – Rs.23,865 mn). Contribution to group revenue from the different business segments is provided in Note 12 to the financial statements.

FINANCIAL STATEMENTS

The financial statements of the Group are prepared in conformity with Sri Lanka Accounting Standards (SLAS); provide information required by the Companies Act No. 7 of 2007 and the Colombo Stock Exchange Listing Requirements. The Company and its subsidiaries are also guided by other recommended best accounting practices.

AUDITOR'S REPORT

The Auditor's Report on the Financial Statements is given on page 39 of this Annual Report.

ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the financial statements are given in Note 6 and there have been no changes in the accounting policies adopted by the Group during the year under review.

FINANCIAL RESULTS

The audited results of the Group and of the Company for the financial year ended 31st March 2011 are as follows:

For the year ended 31st March	Group		Company	
	2011 Rs:'000	2010 Rs:'000	2011 Rs:'000	2010 Rs:'000
Profit available for appropriation	9,538,382	9,030,603	5,833,444	2,553,250
From which the following appropriations/distributions have been made:				
8% participating cumulative Preference shares:				
Annual Dividend – 8%	(145)	(144)	(145)	(144)
First interim Dividend– 2011 – Rs.71.50 per share (2010-Rs 19.50)	(12,895)	(3,517)	(12,895)	(3,517)
Second &Final Dividend – 2011 Nil (2010 – Rs.39.50)	-	(7,124)	-	(7,124)
Ordinary dividend				
First interim Dividend– 2011 – Rs.9.00 per share (2010-2.50)	(90,000)	(25,000)	(90,000)	(25,000)
Second interim Dividend – 2011 Nil (2010-Rs 5.00)	-	(50,000)	-	(50,000)
	(103,040)	(85,785)	(103,040)	(85,785)
Leaving a balance to be carried forward	9,435,342	8,944,818	5,730,403	2,467,465

CAPITAL EXPENDITURE

A detail of the Group capital expenditure undertaken during the year by each sector is:

(All figures in Sri Lankan Rs.'000's)

	2011	2010
Investment Holdings		
Property, plant & equipment	602	178
Intangible assets	-	113
Overseas Plantations		
Property, plant & equipment	3,855,323	4,521,756
Intangible assets	433,938	243,092
Beverage		
Property, plant & equipment	685,990	126,219
Intangible assets	4,289	2,038
Real Estate		
Property, plant & equipment	27,602	13,793
Leisure		
Property, plant & equipment	22,813	3,949
Management Services		
Property, plant & equipment	10,905	762
Intangible assets	-	360
	5,041,461	4,912,260

VALUE OF THE INVESTMENT PORTFOLIO

The market value/valuation of the Group's investment portfolio as at 31st March, 2011, was Rs.14,744 million (2010 - Rs.8,644 million).

VALUE OF THE INVESTMENT PROPERTIES

The fair value of the group's investment properties as at 31st March 2011 was Rs 1,357 million (2010 -Rs.1,327 million).

MARKET VALUE OF FREEHOLD PROPERTIES

Certain freehold properties (land and buildings) of the Group have been revalued based on independent professional valuations and written-up in the books of account to conform to market value of such properties. Further, details of such revaluations are given in Note 24 to the financial statements.

DIVIDEND

The Directors have not recommended a dividend for the financial year ended 31st March 2011.

The details of the dividends paid during the year are set out in Note 23 to the financial statements.

SOLVENCY TEST

The Company did not make a distribution for the year ended 31/03/2011 which necessitated the measurement of the solvency test requirements under section 56 (2) of the Companies Act No. 07 of 2007.

STATED CAPITAL

The Stated Capital of the Company as at 31st March, 2011 was Rs.412,634,772 comprising 102,000,000 ordinary shares and 1,839,568 8% Participating Cumulative Preference shares.

RESERVES

A summary of the Group's reserves is given below:

For the year ended 31st March	Group		Company	
	2011 Rs:'000	2010 Rs:'000	2011 Rs:'000	2010 Rs:'000
Capital Reserve	969,620	1,292,042	40,000	40,000
Revenue Reserve	12,688,637	11,444,367	5,739,686	2,476,748
Total	13,658,257	12,736,409	5,779,686	2,516,748

GOING CONCERN

Having taken into account the financial position and future prospects the Directors have a reasonable expectation that the Company & its subsidiaries have adequate resources to continue to be in operational existence for the foreseeable future. For this reason the Company and its subsidiaries continue to adopt the going concern basis in preparing the financial statements.

EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

Subsequent to the Balance Sheet date, no circumstances have arisen which required adjustments to or disclosure in the financial statements, other than those disclosed in Note 47 to the financial statements.

SIGNIFICANT EVENTS DURING THE YEAR**Consolidation of Plantation assets to Goodhope Asia Holdings Ltd**

Company's subsidiary, Goodhope Asia Holdings Ltd (GAHL), purchased a 70% stake in PT Agro Bukit (PTAB) and 13.33% stake in Shalimar Developments Sdn Bhd (SDSB) from Bukit Darah PLC and a further 20% stake of PTAB from SDSB. With this acquisition, share holder loans due to Bukit Darah and SDSB from PTAB were also transferred to GAHL. Total consideration for the transaction was Rs.6,550.3mn (USD 59.37mn)

Pursuant to the restructuring of the plantation sector of the Carsons group of companies, its subsidiary, Goodhope Asia Holdings Limited (GAHL) consolidated its holding in the Indonesian plantation companies. In the course of the same, GAHL acquired the Investment portfolio and shareholder advances from Rimcapital Holdings Sdn. Bhd. (RHSB) for a consideration of US\$ 28,654,434 against which GAHL allotted 12,512,853 ordinary shares to RHSB.

Pursuant to the aforesaid acquisition of investments from RHSB and the issue of shares by GAHL to RHSB, the present shareholders of GAHL are CCPLC, BDPLC, and RHSB, holding 52.79%, 35.19% and 12.02% respectively of the issued share capital of GAHL.

Mr. Hariharan Selvanathan, who is a Director of BDPLC and CCPLC, has declared an equity interest in RHSB.

Voluntary offer to the minority shareholders of Malaysian Plantation Companies

Bukit Darah PLC and Carson Cumberbatch PLC (referred to as the Offerors) with Goodhope Asia Holdings Ltd (GAHL) acting in concert, made an offer to the shareholders of the Malaysian

Plantation Companies, namely Shalimar (Malay) PLC, Selinsing PLC, Indo - Malay PLC and Good Hope PLC (collectively referred to as MPCs) to acquire the minority shareholding of these respective Companies that are currently not held by the Carsons Group. GAHL (a subsidiary of CCPLC & Bukit Darah PLC) presently holds the controlling interests in the said MPCs.

The terms of the offers were such that the Offerors will purchase all of the issued shares of the MPCs, i.e. the minority shareholdings which are not already owned by the Offerors or GAHL. The Offer was made on March 18th 2011 and was closed on April 7th 2011. Subsequent to the aforesaid voluntary offer, the offerors intend to eventually transfer the shares acquired from the MPCs, via the offer, to GAHL.

Transfer of Equity Hotels Limited

To consolidate the group's leisure sector under one holding company, Carson Cumberbatch PLC transferred its fully owned subsidiary, Equity Hotels Limited to its subsidiary Pegasus Hotels of Ceylon PLC for a consideration of Rs.109.6mn.

Amalgamation of subsidiary companies by Equity One PLC

As per Section 242(1) of the Companies Act No. 07 of 2007 the Company's subsidiary Equity One PLC amalgamated its fully owned subsidiaries, Equity Five Limited, Equity Developers (Pvt) Limited, Equity Property Developers (Pvt) Limited, Equity Nine (Pvt) Limited and Carsons Real Estate Management Services (Private) Limited with Equity One PLC. The amalgamation is effective from 1st December 2010.

Transfer of Guardian Fund Management Limited

Rubber Investment Trust Limited transferred 1,045,009 ordinary shares of Guardian Fund Management Limited to Ceylon Guardian Investment Trust PLC which is 99.99% of the issued shares of Guardian Fund Management Limited.

Subdivision of existing shares and issue of new shares through Capitalisation of Reserves**Bukit Darah PLC**

Each Ordinary share and 8% Participating Cumulative Preference share of the company was subdivided into 10 shares. At the conclusion of the subdivision the total number of Ordinary shares increased from 10,000,000 to 100,000,000 and the preference shares increased from 180,350 to 1,803,500. The subdivision did not result in an increase in the Stated capital of the Company.

The Company also issued 2,000,000 new Ordinary shares and 36,068 Preference shares by Capitalising a sum of Rs.310,831,271.60 of the Company's Revenue Reserves in the ratio of 1:50 for both ordinary and preference shares.

Carson Cumberbatch PLC

Each Ordinary share of the company was subdivided into 2 Ordinary shares. At the conclusion of the subdivision, the total number of Ordinary shares increased from 96,268,095 to 192,536,190. The subdivision did not result in an increase in the Stated capital of the Company.

The Company also issued 3,850,724 new Ordinary shares by Capitalising part of the Company's Revenue Reserves and issuing One Ordinary share for Fifty Ordinary Shares held as at the XC date in the proportion of 1:50 based on the number of Ordinary shares after the above subdivision.

The consideration for the share issued and credited as fully paid up was 128/98 per share.

The Total value of Revenue Reserves capitalized for the issue was Rs.496,396,830/-.

Ceylon Guardian Investment Trust PLC (CGIT)

Each existing Ordinary share of the Company was subdivided in the ratio of 5:1 for ordinary shares and 500:1 for deferred shares.

The Company also issued new ordinary shares and fully paid up deferred shares following the above sub-division in the ratio of 1:50 for both ordinary and deferred shares.

A sum of Rs.280mn was capitalized out of the revenue reserves of the company, for this purpose. The said capitalization resulted in 1,609,739 new fully paid ordinary shares issued and paid up of the uncalled capital of Rs.238,556/- on the partly paid deferred shares and the issue of fully paid 108,770 new deferred shares.

After the subdivision and capitalization of reserves the total stated capital of CGIT is Rs.953.17mn which consists of 82,096,719 ordinary shares and 5,739,770 fully paid deferred shares

Ceylon Investment PLC

In facilitation of the greater liquidity in ordinary shares of Ceylon Investment PLC, each ordinary share was subdivided into 5 Ordinary shares.

Further, a sum of Rs.167.4mn was Capitalised out of the revenue reserves of the company by issuing 1,931,664 new ordinary shares in consideration of the sums so capitalized based on the shares held after the subdivision. The capitalization was carried out in the ratio of 1:50.

After the subdivision and capitalization of reserves the total stated capital of the company is Rs.673.5mn which consists of 98,514,874 ordinary shares.

Change of name

The name of Watapota Investments PLC was changed to Guardian Capital Partners PLC on the 21st of January 2011 in accordance with Section 8 of the Companies Act No. 07 of 2007.

Rights issue

Guardian Capital Partners PLC made a Rights Issue of 25,162,800 fully paid new Ordinary shares at a ratio of 75:2 Ordinary shares held as at 18th February 2011 at an issue price of Rs.20/- per share.

The primary purpose of the Rights issue was to raise capital for the company to carry out its planned investment activities. The issue was fully subscribed and Rs.503,256,000/- was raised from the existing shareholders. Accordingly the Stated Capital of the Company increased to Rs.513,655,750/- comprising of 25,833,808 ordinary shares.

Major transactions

Guardian Capital Partners PLC recommended to take up an unlisted investment in 41,600,000 shares of Expo Lanka Holdings Limited which amounted to an investment of Rs.249,600,000/-.

As per Sec. 185 of the Companies At No. 07 of 2007, this transaction amounted to a 'major transaction' and as such the Company sought the approval of its shareholders by a special resolution at an Extraordinary General Meeting held on 18th February 2011.

Related Party transactions Exceeding 10% of the equity or 5% of the Total Assets of the company

The transactions carried out by the company with its related parties during the year ended 31st March 2011, did not exceed 10% of the shareholders equity or 5% of the total assets as at 31st March 2011.

CORPORATE GOVERNANCE

Compliance of CORPORATE governance Rules as per the Listing Rules of the Colombo Stock Exchange (CSE).

Board of Directors

The following Directors held office as at the balance sheet date and their brief profiles are given on pages 9 to 17 of the Annual Report.

Name of the Director	Executive/Non-Executive/Independent
H. Selvanathan	Executive
M. Selvanathan	Executive
I. Paulraj*	Non-Executive/Independent
D.C.R. Gunawardena**	Executive
P.C.P. Tissera	Executive
K.C.N. Fernando	Executive

* The Board has determined that Mr. I. Paulraj is an Independent Director in spite of being on the Board for more than 9 years and being a Director of many other Companies within the Bukit Darah Group, in which majority of the other Directors of the Board are also Directors and also being on the Board of Rubber Investment Trust Limited that has a significant shareholding in the company since he is not directly involved in the Management of the Company.

The management of the Company is carried out by Carsons Management Services (Private) Limited.

** Mr. D. C. R. Gunawardena having assumed Non-Executive responsibilities with effect from 15th April 2011, is categorised as a Non – Executive Director.

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING

The Directors are responsible for the preparation of the Financial Statements of the Group and the company which reflect a true and fair view of the state of its affairs. The Directors are of the view that the Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statements, Significant Accounting Policies and Notes there to appearing on pages 40 to 107 have been prepared in conformity with the requirements of the Sri Lanka Accounting Standards, Companies Act No. 07 of 2007, Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995 & amendments thereto and Listing Rules of the Colombo Stock Exchange. The "Statement of Directors' Responsibility" for Financing Reporting given on page 29 forms an integral part of this Report.

Directors' benefit

Since the end of the previous financial year, none of the directors of the company has received or become entitled to receive any benefit (other the benefit as disclosed in note 20(d) to the financial statements) by reason of a contract made by the company or a related corporation with the director, or with a firm of which the director is a member, or with a company in which the director has substantial financial interest except for any benefits which may be deemed to have arisen by virtue of the significant related party transactions as disclosed in Note 48 to the financial statement.

During and at the end of the financial year, no arrangement subsisted to which the company is a party, with the object of enabling directors of the company to acquire benefit by means of the acquisition of shares of the company.

DIRECTORS' MEETINGS ATTENDANCE

Four (04) Board Meetings were convened during the financial year and the attendance of the Directors was as follows:

Director	Meetings attended (out of 4)
H. Selvanathan	3
M. Selvanathan	4
I. Paulraj	4
D.C.R. Gunawardena	4
P.C.P. Tissera	4
K.C.N. Fernando	4

INTERESTS REGISTER

The Company maintains an Interest Register conforming to the provisions of the Companies Act No. 7 of 2007.

All Directors have made declarations as provided for in Section 192 (2) of the Companies Act aforesaid.

The relevant details as required by the Companies Act No. 7 of 2007 have been entered in the Interest Register during the year under review.

The Interest Register is available for inspection as required under the Companies Act.

Directors' Interest in Contracts and Shares

Directors' interests in contracts of the Company are disclosed in Note 48 to these financial statements and have been declared at meetings of the Directors. The Directors have had no direct or indirect interest in any other contracts or

proposed contracts in relation to the business of the Company, while they had the following interests in Ordinary shares of the Company.

	No. of Shares held as at	
	31st March 2011	01st April 2010
(i) Bukit Darah PLC		
Ordinary		
H. Selvanathan	150,960	14,800
M. Selvanathan	40,840	4,004
I. Paulraj	1,020	100
D.C.R. Gunawardena	-	-
P.C.P. Tissera	-	-
K.C.N. Fernando	-	-
Alternate Directors		
K. Selvanathan (for M. Selvanathan)	-	-
Preference – 8% Participating		
H. Selvanathan	695,130	68,150
M. Selvanathan	756,452	74,162

Related party Transactions

The Directors have also disclosed the transactions if any, that could be classified as related party transactions in terms of Sri Lanka Accounting Standard 30 (Revised 2005) "Related Party Disclosures" which is adopted in the preparation of the Financial Statements. Those transactions disclosed by the Directors are given in Note 48 to the Financial Statements forming part of the Annual Report of the Board.

Remuneration of Directors

Directors' remuneration in respect of the Company for the financial year ended 31st March 2011 is given in Note 20(d) to the Financial Statements on page 66.

DIRECTORS

The names of the Directors who served during the year are given under Corporate Information provided in the Inner back cover of the Annual Report.

Directors Retire by Rotation

In terms of Article 82 and 83 of the Articles of Association of the Company Mr. M. Selvanathan retires by rotation and being eligible offers himself for re-election.

As at 31st March	No. of Ordinary Shares		As at 31st March	No. of Ordinary Shares	
	2011	2010		2011	2010
SUBSIDIARIES					
Carson Cumberbatch PLC					
H. Selvanathan	39,712	19,467	H. Selvanathan	150	150
M. Selvanathan	28,917	14,175	M. Selvanathan	150	150
P.C.P. Tissera	3,213	1,575	I. Paulraj	150	150
H. Selvanathan & M. Selvanathan	449,820	220,500	D.C.R. Gunawardena	1	1
Ceylon Guardian Investment Trust PLC					
I. Paulraj	255	50	Selinsing PLC		
D.C.R. Gunawardena	255	50	H. Selvanathan	648	648
Ceylon Investment PLC					
I. Paulraj	255	50	M. Selvanathan	648	648
D.C.R. Gunawardena	255	50	I. Paulraj	75	75
Ceylon Brewery PLC					
H. Selvanathan	690	690	Good Hope PLC		
M. Selvanathan	690	690	H. Selvanathan	300	300
D.C.R. Gunawardena	15	15	M. Selvanathan	300	300
S.K. Shah	2,632	2,632	Indo-Malay PLC		
Lion Brewery (Ceylon) PLC					
H. Selvanathan	1,579	1,579	H. Selvanathan	2,192	2,192
M. Selvanathan	1,579	1,579	M. Selvanathan	3,868	3,868
(Resigned w.e.f. 02.09.09)			Equity Two PLC		
D.C.R. Gunawardena	34	34	K.C.N. Fernando	3,600	3,600
S.K. Shah	6,017	6,017	Guardian Capital Partners PLC		
			I. Paulraj	200	200
			D.C.R. Gunawardena	25	25

Remuneration Committee

The Remuneration Committee of the Company was ceased to be in operation with effect from 25th March 2011.

Audit Committee

As per the Rule 7.10.6 of the Listing Rules of the Colombo Stock Exchange the Audit Committee of the Company comprises of the following members.

Audit Committee Member	Executive/Non-Executive
V.P. Malalasekera (Chairman)	Non-Executive
D.C.R. Gunawardena	Executive*

* Mr. D. C. R. Gunawardena having assumed Non-Executive responsibilities with effect from 15th April 2011, is categorised as a Non – Executive Director.

The report of the Audit Committee is given in page 30 of this Annual Report.

AUDITORS

COMPANY

Company's Auditors during the year under review were Messrs KPMG Ford, Rhodes, Thornton & Company, Chartered Accountants.

A sum of Rs 200,000/- was paid to them by the Company as audit fees for the year ended 31st March 2011 (2010- Rs.244,598/-). In addition, they were paid Rs 461,517/- by the Company as fees for non-audit services.

The retiring Auditors have expressed their willingness to continue in office. A resolution to re-appoint them as Auditors and authorizing the Directors to fix their remuneration will be proposed at the forth coming Annual General Meeting.

The Audit Committee reviews the appointment of Auditor, its effectiveness and its relationship with the group, including the scope of audit and non-audit fees paid to the Auditor.

GROUP

The group works with many firms of Chartered Accountants in Sri Lanka and abroad, namely, KPMG Ford Rhodes Thornton & Co, and Ernst & Young. Details of audit fees are set out in note 20(b) of the financial statements.

Further details on the work of the Auditor and the Audit Committee are set out in the Audit Committee Report.

Auditors' relationship or any interest with the company

The Directors are satisfied that, based on written representations made by the Independent Auditors to the

Board, the auditors did not have any relationship or any interest with the Company and its subsidiaries that would impair their independence.

Internal control and Risk Management

The ultimate responsibility to establish, monitor and review a groupwide internal control system rests with the Board of Directors. The intensity, depth and the tolerance limits for each component of the internal control system would be based on the weight of the element of risk imposed on the sustenance of the business by the respective area of operation. Whilst a strong internal control system would mitigate the crystallisation of risk elements to a greater extent, employment of external support structures would also be necessary based on the risk assessments made thereon.

The delegation of the effective maintenance of internal controls and risk identification and mitigation is handed down to the respective CFO's within the guidelines of benchmark policies, procedures and authority limits clearly laid down. This team is supported by the risk officers appointed per sector. The risk officers would confer with the respective management teams and will update the risk registers and the relevant action plans to be followed by the management teams in their respective spheres of operation. Group Internal Audit, whose scope of scrutiny is entirely driven by the grading of the risk involved will be monitoring and providing the feedback to the management and the respective Audit Committees.

Regular submission of compliance and internal solvency certificates vouched by the heads of the respective divisions as a mandatory agenda item keeps the directors abreast of the health of the company resource base and governance requirements. This allows the Board to have total control of the fulfillment of governance requirements by providing opportunity to take timely preventive action in case of potential deterioration of status quo.

Outstanding Litigation

In the opinion of the Directors and in consultation with the company lawyers, litigations currently pending against the company will not have material impact on the reported financial results of future operations of the company.

Details of litigations pending against the company are given in Note 45 on page 97 of the Annual Report.

STATUTORY PAYMENTS

The Directors to the best of their knowledge and belief are satisfied that all statutory payments have been paid up to date or have been provided for in these financial statements.

Compliance with Laws and regulations

The company has at all times ensured that it complied with the applicable laws and regulations including the listing rules of the Colombo Stock Exchange as a listed company. The management officers responsible for compliance, table a report on the compliance at the quarterly meetings of the Audit Committee respective Board.

HUMAN RESOURCE

The Group continued to invest in Human Capital Development and implement effective Human Resource

practices and policies to develop and build an efficient and effective workforce aligned around new business priorities and to ensure that its employees are developing the skills and knowledge required for the future success of the Group.

The number of persons employed by the Group as at 31st March 2011 was 11,672 (31st March 2010 – 10,626). The Company had no employees as at 31st March 2011.

DONATIONS

The Group made donations amounting to Rs.28.15 million during the year under review (2010 - Rs.3 million). Company - 0.6 million (2010 – Nil)

MAJOR SHAREHOLDERS

Twenty Major Shareholders - Ordinary Shares

<i>As at 31st March</i>		2011		2010	
Name of the Shareholder	No. of Shares	%	No. of Shares	%	
1. Rubber Investment Trust Limited	20,438,250	20.04	2,003,750	20.04	
2. Portelet Limited	9,409,500	9.23	922,500	9.23	
3. Skan Investments Limited	8,285,175	8.12	809,725	8.10	
4. Good Hope Holding (Pvt) Limited	7,957,475	7.80	775,225	7.75	
5. Newgreens Limited	7,905,000	7.75	775,000	7.75	
6. Carson Cumberbatch PLC	7,446,255	7.30	730,025	7.30	
7. Interkrish Investment Company (Pvt) Limited	7,299,998	7.16	715,590	7.16	
8. Krish Investment Company (Pvt) Limited	7,299,947	7.16	715,585	7.16	
9. Natwest Nominees (Pvt) Limited	4,206,465	4.12	412,375	4.12	
10. Wardley Investments (Pvt) Limited	4,183,770	4.10	410,150	4.10	
11. Gee Gees Properties (Pvt) Ltd	3,734,220	3.66	366,100	3.66	
12. S Kanapathy Chetty (Pvt) Limited	2,120,260	2.08	208,300	2.08	
13. Ceylon Finance & Securities (Pvt) Limited	1,005,730	0.99	98,601	0.99	
14. Thurston Investments Limited	886,360	0.87	83,400	0.83	
15. Pershing LLC S/A Averbach Grauson & Co.	815,180	0.80	81,900	0.82	
16. Employees Provident Fund	769,463	0.75	-	-	
17. Mr. E.A. Samaraweera	612,000	0.60	60,000	0.60	
16. Mrs. H. Pope (Decd)	612,000	0.60	60,000	0.60	
20. Mr.K.C. Vignarajah	588,461	0.58	50,908	0.51	
19. Mr. W. Tippetts	520,200	0.51	51,000	0.51	
	96,095,709	94.21	9,330,134	93.31	

SHARE INFORMATION

Information relating to earnings, dividends, net assets and market price per share is given on pages 32 and 35 of the Annual Report. Information on share trading is given on page 32 of the Annual Report.

EQUITABLE TREATMENT OF SHAREHOLDERS

All shareholders in each category have been treated equitably in accordance with the original Terms of Issue.

ANNUAL REPORT

The Board of Directors approved the Company and the Consolidated Financial Statements together with the reviews which forms part of the Annual Report on 26th May 2011. The appropriate number of copies of the Report will be submitted to the Colombo Stock Exchange, Sri Lanka Accounting and Auditing Standard Monitoring Board and the Registrar of Companies within the given time frames.

ANNUAL GENERAL MEETING

95th Annual General Meeting of the Company will be held on Thursday, 30th day of June 2011 at 4.30 p.m. at the "Crystal Room", Upper Floor, Taj Samudra, No.25, Galle Face Centre Road, Colombo 3.

The Notice of the Annual General Meeting is on page 120 of the Annual Report.

(Sgd)

H. Selvanathan

Director

(Sgd)

M. Selvanathan

Director

Colombo

26th May 2011

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the consolidated financial statements in accordance with the companies Act No.7 of 2007 and Sri Lanka Accounting and Auditing standards Act No. 15 of 1995, and required to prepare financial statements for each financial year that present fairly the financial position of the group and the financial performance and cash flows of the group for that period.

In preparing those financial statements, the directors are required to:

- Select suitable Accounting Policies and applied consistently.
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information.
- Provide additional disclosure when compliance with the specific requirements of Sri Lanka Accounting standards is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the group's financial position and financial performance.
- State that the company has complied with Sri Lanka Accounting standards, subject to any material departures disclosed and explained in the consolidated financial statements.
- Make Reasonable and prudent judgments and estimates.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the consolidated financial statements comply with the Companies Act No. 7 of 2007 and Sri Lanka Accounting standards. They are also responsible for

safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The group's business activities, performance, position and risks are set out in the report. The financial position of the group, its cash flows, liquidity position and borrowing facilities are detailed in the notes to the financial statements. The report also includes details of the group's risk mitigation and management. The group has considerable financial resources, and the directors believe that the group is well placed to manage its business risks successfully. After making enquiries, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

The Directors are also of the view that they have discharged their responsibilities as set out in this statement.

By Order of the Board

(Sgd)

K.D. de Silva (Mrs.)

Director

Carsons Management Services (Pvt) Ltd

Secretaries

26th May 2011

AUDIT COMMITTEE REPORT

The Audit Committee of the Company comprises of two members as follows :

Audit Committee members	Executive / Non-Executive
Mr.Vijaya Malalasekera	-
Mr.Chandima Gunawardena	Executive*

**Mr. D. C. R. Gunawardena having assumed Non-Executive responsibilities with effect from 15th April 2011, is categorised as a Non – Executive Director.*

The Board is currently studying at re-formulating the Audit Committee structure to fall in line with the Colombo Stock Exchange Listing Rules.

Mr.Vijaya Malalasekera is a Non-Executive, Independent Director of Carson Cumberbatch PLC and a Non-Executive Director of Ceylon Tobacco Company PLC. Mr.Chandima Gunawardena is a Director of Carson Cumberbatch PLC and in most of its' Group Companies.

Bukit Darah PLC-Audit Committee held 04 Meetings during the financial year to discuss matters relating to the Company and the attendance of the Members of the Audit Committee was as follows :

Meetings attended (out of four)	
Mr.Vijaya Malalasekera	04
Mr.Chandima Gunawardena	04

The Audit Committee Meetings were attended by the internal auditors and senior management staff members.

The Committee has also met the external auditors twice during the year, i.e. to discuss the audit scope and to deliberate the draft Financial Report and Accounts. The draft Financial Report and Accounts were discussed with the external auditors, without the management being present.

In accordance with the approved audit plan for 2010/11, the Group Internal Audit (GIA) carried out three audits of processes of the Company.

The findings and contents of the Group Internal Audit reports have been discussed with the management and subsequently the audit reports were circulated to the Audit Committee and to the management.

The objectives of the GIA work was to have an independent review of the system of internal controls as established by the management, its adequacy and integrity vis-à-vis objectives served and to determine the extent of adherence to the controls by staff responsible for the function and to take corrective/preventive action where necessary.

The interim financial statements have been reviewed at meetings of the Audit Committee. The draft financial statements of the Company for the year ended 31st March 2011 were reviewed by the Audit Committee, together with the External Auditors, KPMG Ford Rhodes Thornton & Company, prior to release of same to the Regulatory Authorities and to the shareholders.

The Audit Committee has determined that KPMG Ford Rhodes Thornton & Company, Auditors are independent on the basis that they do not carry out any management related functions of the Company.

The Audit Committee has concurred to recommend to the Board of Directors the re-appointment of Messrs. KPMG Ford Rhodes Thornton & Company as Auditors for the financial year ending 31st March 2012, subject to the approval of the shareholders at the Annual General Meeting.

The Board of Directors has approved and established an Audit Committee Charter. The purpose of the Audit Committee Charter is to assist the Board of Directors in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control over financial reporting, the audit process and the Company's process for monitoring compliance with Company policies and procedures, laws and regulations and the code of conduct and the identification of and management of risks that would impact on the Company's business activities.

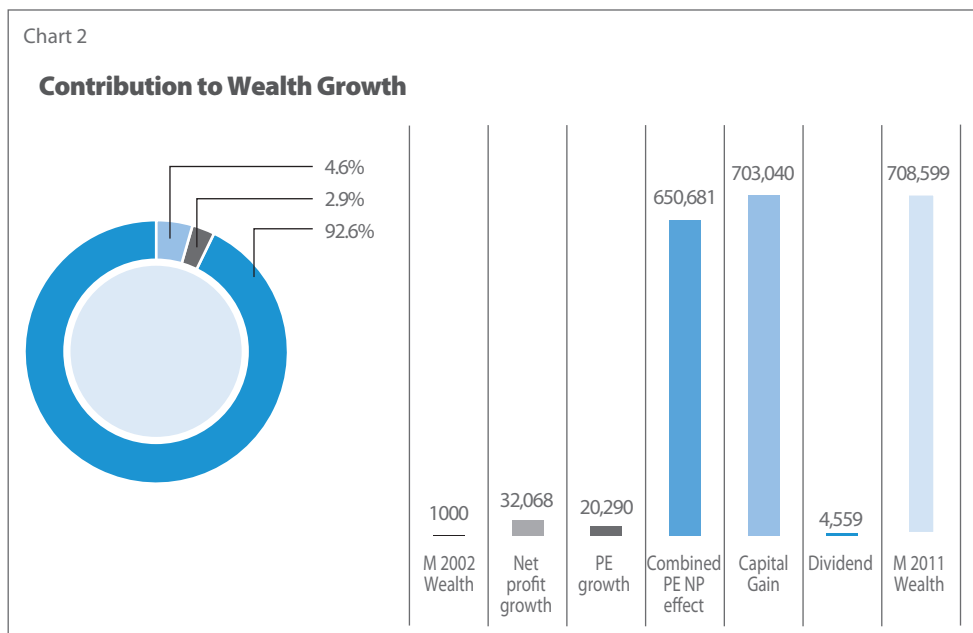
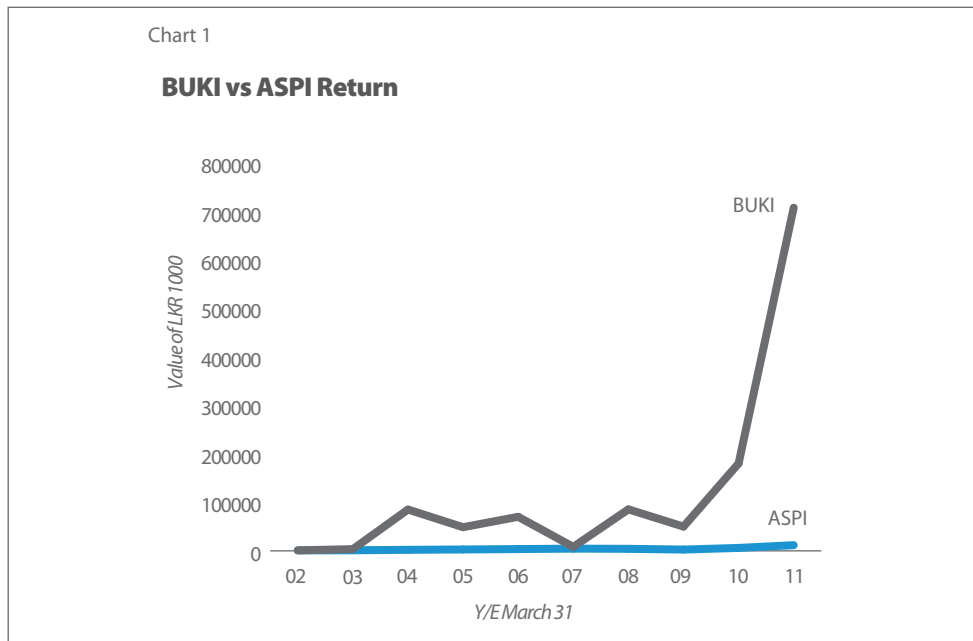
Vijaya Malalasekera
Chairman – Audit Committee
Bukit Darah PLC

26th May 2011

SHAREHOLDER RETURNS STATEMENT

Bukhit Darah PLC generated a total share holder return(TSR) of 299.3% vs 95.3% of the CSE which captures the average return generated by all listed companies. Over the past 10 years the company has generated an average TSR of 107.4% vs. 31.4% of the market, outperforming it by 3.4 times (chart 1).

A shareholder who invested Rs.1,000 in the share in 2002 would have accumulated a wealth of Rs.708,599 as shown in chart 2, with the bulk (99.4%) coming in the form of capital gains. As capital gains in the stock were driven both by net profit growth and PE growth which grew by 47.5% and 40.5% respectively, over the 10 years, the combined impact of both PE and net profit growth contributed 93% to the total wealth growth of the shareholders.



INFORMATION TO SHAREHOLDERS & INVESTORS

1 STOCK EXCHANGE LISTING

Bukit Darah PLC is a Public Quoted Company, the ordinary shares of which are listed on the main board of the Colombo Stock Exchange of Sri Lanka (CSE).

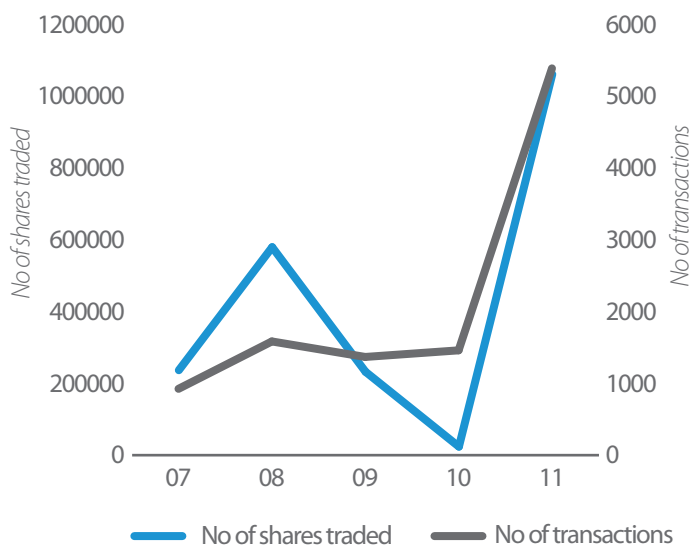
2 MARKET CAPITALISATION AND MARKETPRICE

Market Capitalization of the Company's share, which is the number of ordinary share in issue multiplied by the market value of a share, was Rs.119,697 Mn as at 31 March 2011 (Rs.30,000 Mn as at 31st March, 2010).

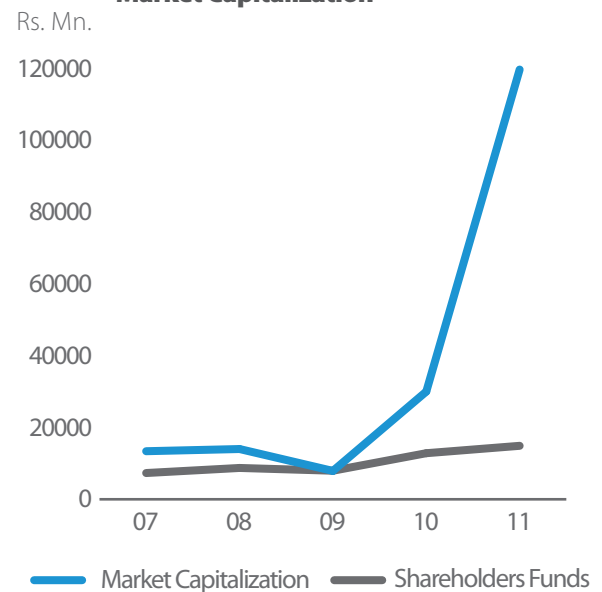
The Information on Market prices are set out below :

	2011	Q4	Q3	Q2	Q1	2010
Share Information						
Highest price (Rs.)	1,600	1,600	9,000	8,988	4,900	3,510
Lowest price (Rs.)	815	820	815	4,000	3,200	777
As at periods end (Rs.)	1,173.50	1,173.50	885.20	7,880.00	4,251.00	3,000.00
Trading Statistics						
No of transactions	5,387	3,498	890	616	383	1,460
No of shares traded	1,061,100	772,800	153,400	86,700	48,200	237,000
Value of all shares Traded (Rs.Mn)	2,472.5	915.8	807.9	549.7	199.1	467.8
Market Capitalization (Rs.Mn)	119,697	119,697	90,290	78,800	42,510	30,000
Enterprise Value (Rs.Mn)	164,853	164,853	135,213	121,006	74,759	60,036

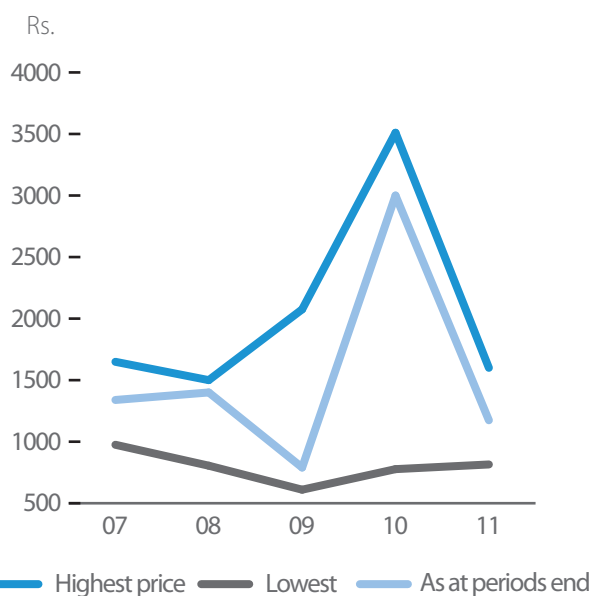
Share Trading



Shareholders Funds and Market Capitalization



Share Price



3 SHAREHOLDER BASE

The total number of shareholders as at 31st March 2011 was 2,137 compared to the 1,267 as at 31st March 2010. The number of ordinary shares held by non-residents as at 31st March 2011 was 22,698,882 which amounts to 22.25% of the total number of ordinary shares.

4 DISTRIBUTION AND COMPOSITION OF SHAREHOLDERS

Distribution of Shares	Residents			Non-Residents			Total		
	No. of Members	No. of Shares	%	No. of Members	No. of Shares	%	No. of Members	No. of Shares	%
1 – 1,000	1,794	256,306	0.25	12	3,262	0.00	1,806	259,568	0.25
1,001 – 10,000	228	555,249	0.54	11	35,455	0.03	239	590,704	0.58
10,001 – 100,000	36	1,129,672	1.11	17	690,440	0.68	53	1,820,112	1.78
100,001 – 1,000,000	13	3,434,966	3.37	13	4,655,225	4.56	26	8,090,191	7.93
Above 1,000,000	11	73,924,925	72.48	2	17,314,500	16.98	13	91,239,425	89.45
Grand Total	2,082	79,301,118	77.75	55	22,698,882	22.25	2,137	102,000,000	100.00

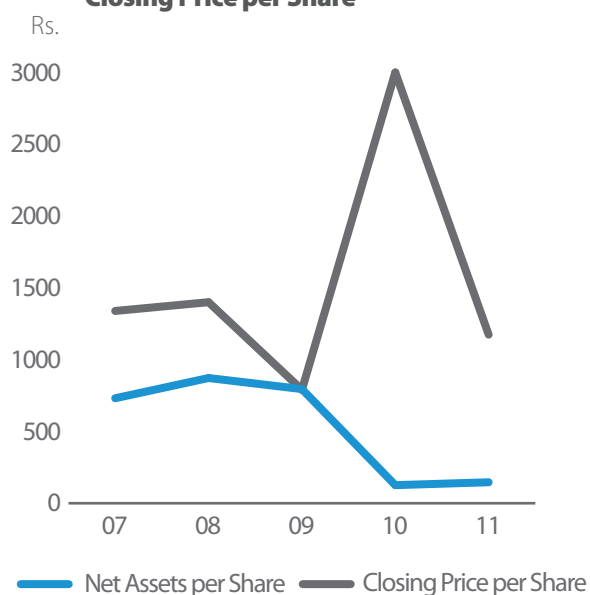
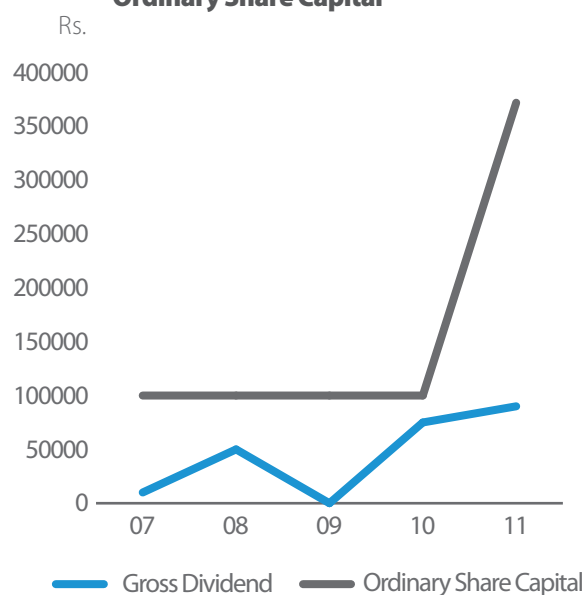
5 COMPOSITION OF SHAREHOLDERS

Ordinary Shares	31st March, 2011			31st March, 2010		
	No. of	No. of Shareholders	% Shares	No. of	No. of Shareholders	% Shares
Individuals	1,988	6,405,002	6.28	1,176	661,379	6.61
Institutions	149	95,594,998	93.72	91	9,338,621	93.39
Total	2,137	102,000,000	100.00	1,267	10,000,000	100.00
Residents	2,082	79,301,118	77.75	1,227	7,816,930	78.17
Non Residents	55	22,698,882	22.25	40	2,183,070	21.83
Total	2,137	102,000,000	100.00	1,267	10,000,000	100.00

Percentage of issued ordinary share capital held by the public as at 31st March, 2011 was 30.71%

6 Key Ratios

	2011	2010
EPS	31.78	28.35
Dividend Payout Ratio (%)	36.93	105.81
Price to Book (times)	8.53	23.84

Net Assets per Share and Closing Price per Share

Gross Dividend and Ordinary Share Capital

7 Information on Dividends

The details of the dividends paid are as follows:

For the year ended 31st March

	2011 Per share	2010 Amount	Per share	Amount
Ordinary Shares				
First interim - for 2011	-	-	2.50	25,000
Final- for 2011	9.00	90,000	5.00	50,000
	9.00	90,000	7.50	50,000
Preference Shares				
First interim - for 2011	-	-	19.50	3,517
Final- for 2011	71.50	12,895	39.50	7,124
	71.50	12,895	59.00	10,641
Annual -				
30th September 2010	0.40	72	0.40	72
31st March 2011	0.40	73	0.40	72
	0.80	145.00	0.80	144

8 SHAREHOLDER INFORMATION

The issued ordinary shares of the Company are listed on the main board of the Colombo Stock Exchange. Stock Exchange ticker symbol for the Bukit Darah PLC shares : BUKI.N0000

9 DIVIDENDS SINCE

Year ended 31st March	DPS (Rs.)	Dividends (Rs.'000)
2007	1.00	10,000
2008	5.00	50,000
2009	-	-
2010	7.50	75,000
2011	9.00	90,000

10 ORDINARY SHARES IN ISSUE

Year ended 31st March	Number of Shares
2007	10,000,000
2008	10,000,000
2009	10,000,000
2010	10,000,000
2011	102,000,000

11 HISTORY OF SCRIP ISSUES

Year ended 31st March	Number of Issue	Basis	Shares
2004	Bonus	24:1	9,600,000
2011	Sub-division	10:1	90,000,000
	Capitalisation	1:50	2,000,000

12 INFORMATION ON MOVEMENT IN NO OF SHARE

No. of Shares Financial Year	Issue	Basis	No of Shares issued	Cumulative Ordinary	Redeemable Preference
2003/04	Bonus Issue	24 for 1	9,600,000	10,000,000	180,350
2010/11	Sub-division	10 for 1	90,000,000	100,000,000	1,803,500
	Capitalisation	1 for 50	2,000,000	102,000,000	1,839,568

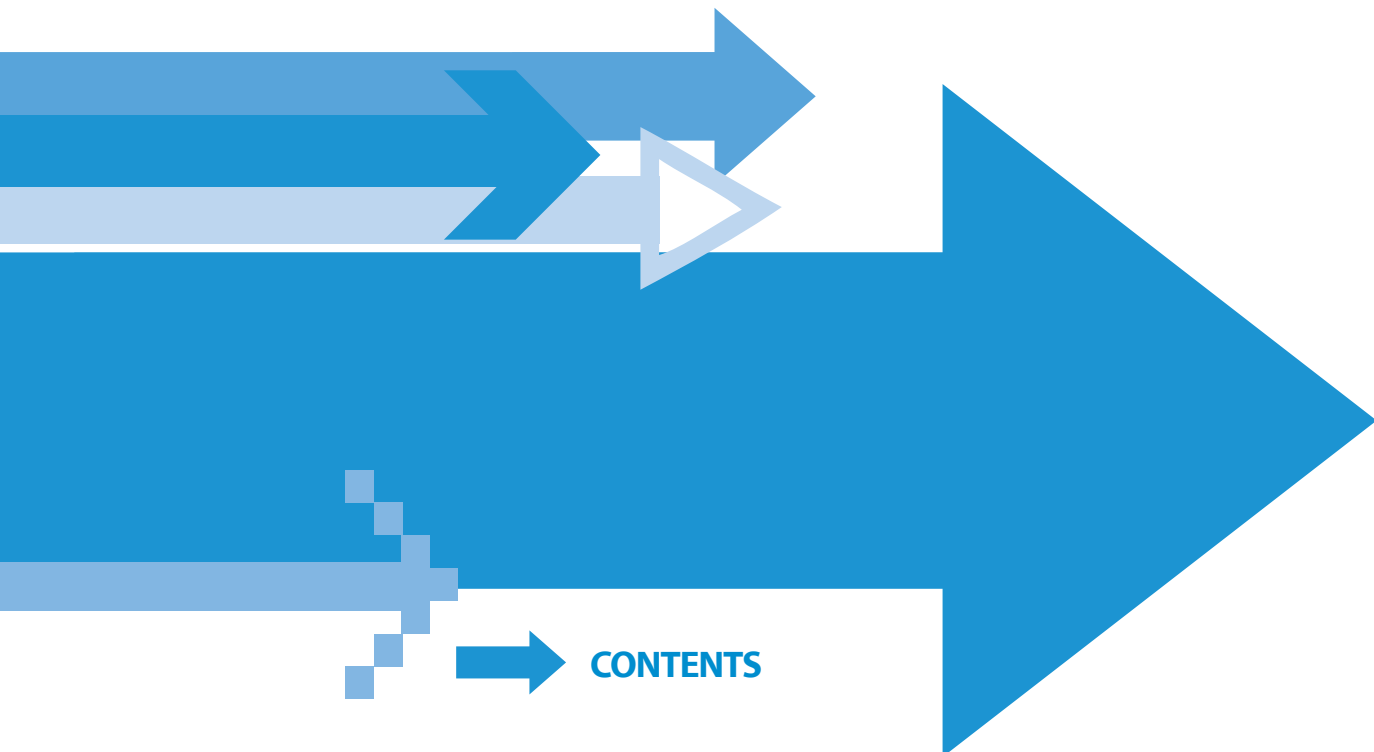
FINANCIAL CALENDAR

Financial Year End 31st March 2011

Announcement of Results

1st Quarter	3rd August 2010
2nd Quarter	12th November 2010
3rd Quarter	14th February 2011
4th Quarter	31st May 2011

95th Annual General Meeting 30th June 2011



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GROUP QUARTERLY RESULTS - INCOME STATEMENT

(Amounts expressed in Sri Lankan Rs.'000)

	1st Quarter	%	2nd Quarter	%	3rd Quarter	%	4th Quarter	%	FY 2011	%
Revenue	8,347,854	22	7,410,901	20	9,946,569	26	12,022,204	32	37,727,528	100
Segment results	3,412,241	26	2,823,635	21	3,121,008	24	3,871,538	30	13,228,422	100
Finance cost	(203,230)	26	(204,244)	26	(198,208)	26	(168,552)	22	(774,234)	100
Foreign exchange gain (losses)	26,912	5	212,842	39	(96,358)	(18)	403,132	74	546,528	100
Share of net results of associate	(134)	-	331	-	(438)	-	241	-	-	-
Profit/ (loss) before taxation	3,235,789	25	2,832,564	22	2,826,004	22	4,106,359	32	13,000,716	100
Income tax expenses	(461,238)	16	(471,206)	17	(726,650)	26	(1,186,013)	42	(2,845,107)	100
Profit/ (loss) for the period	2,774,551	27	2,361,358	23	2,099,354	21	2,920,346	29	10,155,609	100
Profit Attributable to:										
Owners of the Company	1,363,540	42	483,390	15	506,825	16	900,510	26	3,254,265	100
Non controlling interest	1,411,011	20	1,877,968	27	1,592,529	23	2,019,836	31	6,901,344	100
	2,774,551	27	2,361,358	23	2,099,354	21	2,920,346	29	10,155,609	100
Earnings per share Rs.	13.37		4.74		4.97		8.83		31.78	
Market value per share Rs.	4,251.00		7,880.00		885.00		1,173.50		1,173.50	
Profit from operation segmental basis										
Investment holdings	892,698	38	966,014	41	(3,452)	-	520,387	22	2,375,647	100
Oil palm plantations	1,987,952	22	1,498,686	17	2,490,332	28	2,864,105	32	8,841,075	100
Beverages	518,964	27	353,529	18	603,752	31	449,942	23	1,926,187	100
Real estate	8,825	21	384	1	10,607	25	21,857	52	41,673	100
Hotels	10,657	14	18,956	24	23,951	31	24,888	32	78,452	100
Airlines	(941)	29	(10)	-	(890)	20	(1,365)	32	(3,206)	100
Management Services	(5,914)	19	(13,924)	44	(3,292)	10	(8,276)	43	(31,406)	100
	3,412,241		2,823,635		3,121,008		3,871,538		13,228,422	

INDEPENDENT AUDITORS REPORT



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(Chartered Accountants)
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TO THE SHAREHOLDERS OF BUKIT DARAH PLC

Report on the Financial Statements

We have audited the accompanying financial statements of Bukit Darah PLC ("Company"), and the consolidated financial statements of the Company and its subsidiaries as at March 31, 2011 which comprise the balance sheet as at March 31, 2011, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 40 to 107 of this annual report.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Sri Lanka Accounting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Scope of Audit and Basis of Opinion

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Sri Lanka Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit. We therefore believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, so far as appears from our examination, the Company maintained proper accounting records for the year ended March 31, 2011 and the financial statements give a true and fair view of the Company's state of affairs as at March 31, 2011 and its profit and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs as at March 31, 2011 and the profit and cash flows for the year then ended, in accordance with Sri Lanka Accounting Standards, of the Company and its subsidiaries dealt with thereby, so far as concerns the shareholders of the Company.

Report on Other Legal and Regulatory Requirements

These financial statements also comply with the requirements of Sections 153(2) to 153(7) of the Companies Act No. 07 of 2007.

CHARTERED ACCOUNTANTS

Colombo, Sri Lanka

26th May 2011

KPMG Ford, Rhodes, Thornton & Co., a Sri Lankan Partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International cooperative ("KPMG International"), a Swiss entity.

A.N. Fernando FCA	M.R. Mihular FCA	Ms. M. P. Perera FCA
P.Y.S. Perera FCA	C.P. Jayatilake FCA	T.J.S. Rajakarier FCA
W.W.J.C. Perera FCA	Ms. S. Joseph FCA	Ms. S.M.B. Jayasekara ACA
W.K.D.C. Abeyrathne ACA	S.T.D.L. Perera FCA	G.A.U. Karunaratne ACA

Principals - S.R.I. Perera ACMA, LLB, Attorney-at-Law, H.S. Goonewardene ACA

INCOME STATEMENTS

(Amounts expressed in Sri Lankan Rs.'000)

For the year ended 31st March	Note	Group			Company		
		2011	2010	Change %	2011	2010	Change %
Revenue	12.	37,727,528	23,865,375	58	130,965	332,444	(61)
Direct operating expenses		(18,592,062)	(11,989,239)	55	-	(193,262)	(100)
		19,135,466	11,876,136	61	130,965	139,182	(6)
Gain/(loss) on disposal of non current investments	13	22,343	(289)	(7,831)	3,565,695	-	-
Changes in fair value of investment properties	26	30,248	2,738	1,005	-	-	-
Other income	14	252,379	38,384	558	-	-	-
Distribution expenses		(3,186,159)	(1,861,798)	71	-	-	-
Administrative expenses		(4,266,694)	(3,277,392)	30	(19,560)	(5,374)	264
Other operating expenses	15	(152,997)	(203,919)	(25)	-	-	-
Impairment of business assets	16	(2,888)	(10,920)	(74)	-	-	-
Net realized gain on sale of investment		798,153	679,713	17	-	-	-
Mark to market value adjustments							
- Unrealized		598,571	302,266	98	-	-	-
Finance expenses	17	(774,234)	(684,011)	13	-	-	-
Foreign exchange gain	18	546,528	1,405,829	(61)	-	-	-
Share of net results of associate	19	-	740	(100)	-	-	-
Profit before income tax	20	13,000,716	8,267,477	57	3,677,100	133,808	2,648
Income tax expenses							
Taxation - Current taxation	21	(2,287,265)	(1,452,087)	58	(290)	(318)	(9)
- Deferred taxation	21	(557,842)	(208,140)	168	-	-	-
	21	(2,845,107)	(1,660,227)	71	(290)	(318)	(9)
Profit for the year		10,155,609	6,607,250	54	3,676,810	133,490	2,654
Profit Attributable to							
Owners of the Company	12	3,254,265	2,902,646	12	3,676,810	133,490	2,654
Non controlling interest	12	6,901,344	3,704,604	86	-	-	-
Profit for the year		10,155,609	6,607,250	54	3,676,810	133,490	2,654
Earnings per ordinary share (Rs.)	22	31.78	28.35	12	0.96	1.20	(20)
Dividend per ordinary share* (Rs.)	23						
First Interim		9.00	2.50	260	9.00	2.50	260
Final		-	5.00	(100)	-	5.00	(100)
		9.00	7.50	20	9.00	7.50	20

Notes from pages 44 to 107 form an integral part of these Financial Statements.

Figures in brackets indicate deductions.

BALANCE SHEETS

(Amounts expressed in Sri Lankan Rs.'000)

As at 31st March	Note	Group		Company	
		2011	2010	2011	2010
Assets					
Non-Current Assets					
Property, plant & equipment	24	38,545,119	29,148,885	-	-
Prepaid lease payment	25	1,631,214	618,639	-	-
Investment properties	26	1,356,979	1,326,731	-	-
Intangible assets	27	807,214	817,619	-	-
Investment in subsidiaries	28	-	-	6,194,692	1,392,057
Investment in associates	28	-	2,449	-	-
Long-term investments	29	13,542,272	7,973,037	-	-
Advances pending capitalization		-	-	-	1,189,965
Land compensation receivable	30	189,463	189,463	-	-
Asset held-for-sale	31	-	168,000	-	-
Deferred tax asset	21	396,863	557,813	-	-
Total non-current assets		56,469,124	40,802,636	6,194,692	2,582,022
Current Assets					
Inventories	32	4,331,179	3,224,541	-	-
Trade and other receivables	33	4,667,967	4,949,709	870	678
Tax receivables		104,759	56,388	988	908
Short-term investments	34	1,202,224	670,508	-	-
Cash and cash equivalents	35	11,127,775	1,363,577	73,029	60,881
Total current assets		21,433,904	10,264,723	74,887	62,467
Total assets		77,903,028	51,067,359	6,269,579	2,644,489
Equity					
Stated capital	36	412,635	101,804	412,635	101,804
Capital reserves	37	969,620	1,292,042	40,000	40,000
Revenue reserves	38	12,688,637	11,444,367	5,739,686	2,476,748
Equity attributable to owners of the company		14,070,892	12,838,213	6,192,321	2,618,552
Non controlling interest		32,759,265	18,585,690	-	-
Total equity		46,830,157	31,423,903	6,192,321	2,618,552
Investment through subsidiaries		(12,333)	(12,333)	-	-
		46,817,824	31,411,570	6,192,321	2,618,552
Non-Current Liabilities					
Long-term borrowings	39	18,924,549	8,150,334	-	-
Trade and other payables	40	773,052	873,229	-	-
Retirement benefit obligations	42	334,093	222,393	-	-
Deferred tax liability	21	1,705,346	1,445,694	-	-
Total non-current liabilities		21,737,040	10,691,650	-	-
Current Liabilities					
Trade and other payables	40	3,788,782	3,576,596	27,208	25,937
Current tax liabilities		978,671	723,522	-	-
Amounts due to related companies	41	-	-	50,050	-
Long-term borrowings falling due within one year	39	2,223,984	2,325,823	-	-
Short-term borrowings	35	552,000	570,000	-	-
Bank overdraft	35	1,804,727	1,768,198	-	-
Total current liabilities		9,348,164	8,964,139	77,258	25,937
Total liabilities		31,085,204	19,655,789	77,258	25,937
Total equity and liabilities		77,903,028	51,067,359	6,269,579	2,644,489
Net assets per ordinary share (Rs.)		137.55	125.85	60.31	25.65

Notes from pages 44 to 107 form an integral part of these Financial Statements.

I certify that these Financial Statements are in compliance with the requirements of Companies Act No. 7 of 2007.

(Sgd.)

A.P. Weeratunge

Chief Financial Officer

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

These Financial Statements were approved by the Board on 26th May 2011

Approved and signed on behalf of the Managers

Approved and signed on behalf of the Board

(Sgd.)

M. Selvanathan

Director

Carsons Management Services (Private) Limited
Colombo

(Sgd.)

H. Selvanathan

Chairman

(Sgd.)

I. Paulraj

Director

STATEMENTS OF CHANGES IN EQUITY

(Amounts expressed in Sri Lankan Rs.'000)

	Stated Capital			Capital Reserve				Revenue Reserves					Total Equity	
	Ordinary Share	Preference Share	Capital Redemption Reserve	Revaluation Reserve	Other Capital Reserve	General Reserve	Currency Translation Reserve	Property Fair Value Adjustment Reserve	Investment Market Value Adjustment Reserve	Short-term Investment Market Value Adjustment Reserve	Attributable to			
											Retained Earnings	Company		Controlling Interest
Group														
Balance as at 1st April 2009	100,000	1,804	40,000	168,070	976,360	205,581	(294,411)	462,468	83,991	22,925	6,189,137	7,955,925	11,917,975	19,873,900
Appreciation of Long - term investments	-	-	-	-	-	-	-	-	890,115	-	-	890,115	2,273,361	3,163,476
Redemption of Preference shares	-	-	-	-	(42,667)	-	-	-	-	-	(35,053)	(77,720)	(89,780)	(167,500)
Changes in equity	-	-	-	-	51,679	-	-	-	-	-	(26,127)	25,552	(25,552)	-
Exchange translation differences	-	-	-	-	98,600	-	1,128,880	-	-	-	1,227,480	1,792,352	3,019,832	-
Net income recognized directly in equity	-	-	-	-	107,613	-	1,128,880	-	890,115	-	(61,180)	2,065,427	3,950,380	6,015,807
Profit for the period	-	-	-	-	-	-	-	-	2,902,646	-	2,902,646	3,704,604	6,607,250	-
Total recognized income and expense	-	-	-	-	107,613	-	1,128,880	-	890,115	-	2,841,466	4,968,074	7,654,984	12,623,058
Dividend paid	-	-	-	-	-	-	-	-	-	-	(85,785)	(85,785)	(987,269)	(1,073,054)
Balance as at 1st April 2010	100,000	1,804	40,000	168,070	1,083,973	205,581	834,469	462,468	974,106	22,925	8,944,818	12,838,213	18,585,690	31,423,903
Capitalization of reserves	271,880	38,951	-	-	-	-	-	-	-	-	(310,831)	-	-	-
Appreciation of Long - term investments	-	-	-	-	-	-	-	-	1,075,125	-	-	1,075,125	2,834,647	3,909,772
Redemption of Preference shares	-	-	-	-	(29,604)	-	-	-	-	-	(22,016)	(51,620)	(59,630)	(111,250)
Revaluation of property, plant equipment	-	-	-	232,879	-	-	-	-	-	-	-	232,879	663,369	896,248
Goodwill on change in shareholdings (Note A)	-	-	-	-	-	-	-	-	-	-	(1,461,087)	(1,461,087)	-	(1,461,087)
Negative goodwill on change in shareholdings (Note A)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in equity	-	-	-	-	(581,047)	-	(388,450)	(90,450)	(29,830)	-	(1,377,442)	(2,467,218)	3,476,286	1,009,068
Exchange translation differences	-	-	-	-	55,349	-	187,351	-	-	-	-	242,700	1,528,843	1,771,543
Net income recognized directly in equity	271,880	38,951	-	232,879	(555,302)	-	(201,099)	(90,450)	1,045,295	-	(2,660,700)	(1,918,547)	8,443,516	6,524,969
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	6,901,344	10,155,609
Total recognized income and expense	271,880	38,951	-	232,879	(555,302)	-	(201,099)	(90,450)	1,045,295	-	593,565	1,335,718	15,344,860	16,680,578
Dividend paid	-	-	-	-	-	-	-	-	-	-	(103,040)	(103,040)	(1,171,283)	(1,274,324)
Balance as at 31st March, 2011	371,880	40,755	40,000	400,949	528,670	205,581	633,370	372,018	2,019,401	22,925	9,435,342	14,070,892	32,759,265	46,830,157
Company														
Balance as at 1st April, 2009	100,000	1,804	40,000	-	-	9,283	-	-	-	-	2,419,760	2,570,847	-	2,570,847
Profit for the period	-	-	-	-	-	-	-	-	-	-	133,490	133,490	-	133,490
Dividend paid	-	-	-	-	-	-	-	-	-	-	(85,785)	(85,785)	-	(85,785)
Balance as at 1st April, 2010	100,000	1,804	40,000	-	-	9,283	-	-	-	-	2,467,465	2,618,552	-	2,618,552
Capitalization of reserves	271,880	38,951	-	-	-	-	-	-	-	-	(310,831)	-	-	-
Profit for the period	-	-	-	-	-	-	-	-	-	-	3,676,810	3,676,810	-	3,676,810
Dividend paid	-	-	-	-	-	-	-	-	-	-	(103,040)	(103,040)	-	(103,040)
Balance as at 31st March, 2011	371,880	40,755	40,000	-	-	9,283	-	-	-	-	5,730,403	6,192,321	-	6,192,321

Notes from pages 44 to 107 form an integral part of these Financial Statements.

Figures in brackets indicate deductions.

Note A:

Changes in parent ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. These are recognized directly in equity and attributed to the owners of the parent.

CASH FLOW STATEMENTS

(Amounts expressed in Sri Lankan Rs.'000)

For the year ended 31st March	Group		Company	
	2011	2010	2011	2010
Cash Flows From Operating Activities				
Profit for the year	10,155,609	6,607,250	3,676,810	133,490
Adjustments for:				
Foreign exchange gain	(546,528)	(1,405,829)	-	-
Gain on disposal of non current investment	-	289	(3,565,695)	-
Impairment of business assets	2,888	-	-	-
Bargain purchase of on acquisition of subsidiaries	(245,980)	-	-	-
Fair value adjustment - in investment properties	(30,248)	(2,738)	-	-
Net realized gain on sale of investment	(798,153)	(679,713)	-	-
Mark to market value adjustments - Unrealized	(598,571)	(302,266)	-	-
Share of net results of associates	-	(740)	-	-
Depreciation	1,200,441	1,191,655	-	-
Amortization of intangible assets/prepaid lease payment	97,672	35,895	-	-
Provision for retiring gratuity	116,020	71,911	-	-
Finance costs	774,234	684,011	-	-
Profit on disposal of property, plant & equipment	4,185	(1,243)	-	-
Write off of property plant equipments	432,526	-	-	-
Dividend from Associate Companies	-	459	-	-
Income tax expenses	2,845,107	1,660,227	290	318
Operating cash flows before working capital changes	13,409,202	7,859,168	111,405	133,808
Increase in inventories	(745,191)	176,526	-	-
Increase in trade and other receivables	380,761	(2,257,433)	(192)	1,955
Increase in amounts due to related companies	(3,746,069)	-	50,050	-
Increase/(decrease) in trade and other payables	177,901	189,585	295	(222)
Net cash flow from/(used in) investments	(1,592,608)	5,967,846	161,558	135,541
Net cash generated from/(used in) operating activities	7,883,996	5,048,613	161,558	189,321
Finance costs paid	(901,814)	(911,937)	-	-
Tax paid	(2,080,487)	(927,053)	(370)	(1,122)
Retiring gratuity paid	(12,381)	(8,905)	-	-
Net cash inflow/(outflow) from operating activities	4,889,314	3,200,718	161,188	188,199
Cash Flows from Investing Activities				
Purchase of property, plant & equipment	(4,430,655)	(4,736,521)	-	-
Purchase of intangible assets/prepaid lease payment	(438,227)	(245,603)	-	-
Investment in Subsidiary Companies	-	(296,744)	(5,540,811)	(65,318)
Proceeds from disposal of long-term investments in associates/shareholders loan	-	6,650	5,493,835	-
Acquisition of Non -controlling interest	(298,945)	-	-	-
Investment in Subsidiary Companies	(131,398)	-	-	-
Proceeds from disposal of Assets held for sales	161,867	-	-	-
Proceeds from disposal of property, plant & equipment	12,650	32,445	-	-
Deposits received	126,122	63,400	-	-
Deposits refunded	(4,238)	(33,832)	-	-
Net cash generated from/(used in) investing activities	(5,002,824)	(5,210,205)	(46,976)	(65,318)
Cash Flow from Financing Activities				
Proceeds from long-term loans	13,466,990	12,074,024	-	-
Repayment of loans	(2,191,298)	(10,747,070)	-	-
Increase in long-term creditors	-	(6,655)	-	-
Redemption of preference shares	(111,250)	(167,500)	-	-
Repayment of finance lease creditors	(31,916)	(73,630)	-	-
Net decrease in minority shareholders' interest	(1,171,283)	(987,269)	-	-
Dividends paid (including preference dividends)	(102,064)	(82,875)	(102,064)	(82,875)
Net cash generated from/(used in) financing activities	9,859,179	9,025	(102,064)	(82,875)
Increase/(Decrease) in cash and cash equivalents	9,745,669	(2,000,462)	12,148	40,006
Cash and cash equivalents at the beginning of the year	(974,621)	1,025,841	60,881	20,875
Cash and cash equivalents at the end of the year [Note 35(b)]	8,771,048	(974,621)	73,029	60,881

Notes from pages 44 to 107 form an integral part of these Financial Statements.

Figures in brackets indicate deductions.

NOTES TO THE FINANCIAL STATEMENTS

1. REPORTING ENTITY

Bukit Darah PLC is a limited liability company which is incorporated in Sri Lanka. The shares of the company have a primary listing on the Colombo Stock Exchange.

The registered office and principal place of business of the company is located at No. 61, Janadhipathi Mawatha, Colombo 1.

The Consolidated Financial Statements for the year ended 31st March, 2011 comprise the Company and its subsidiaries (together referred to as the "Group" and individually Group entities) and the Group's interest in its associates.

The Group is a diversified conglomerate and one of the foremost business establishments in Sri Lanka backed by a heritage of well over 100 years. Today it is positioned as a company whose outlook is regional, focused on a future which is technology-oriented, results driven and world class.

The businesses range from oil palm plantations in Malaysia and Indonesia, to breweries, investment holdings, portfolio management, real estate and leisure in Sri Lanka. The Group has offices in Malaysia, Singapore and Indonesia.

There were no significant changes in the nature of the principal activities of the Company and the Group during the financial year under review.

Of the 39 Subsidiaries set out in Note 28 (a) & (b) (page 79-81) to the Financial Statements, 13 are listed on the Colombo Stock Exchange.

Group had 11,672 (2010 – 10,626) employees at the end of the financial year. The Company had no employees as at the Balance Sheet date.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

The Financial Statements of the Company and the Group comprise the Balance Sheet, Statements of Income, Changes in Equity and Cash Flows together with the Notes to the Financial Statements. These statements are prepared in accordance with the Accounting Standards laid down by the Institute of Chartered Accountants of Sri Lanka and the requirements of Companies Act No. 7 of 2007.

The consolidated financial statements for the year ended March 31, 2011 were authorized for issue by the Board of Directors on May 26, 2011.

2.2 Basis of Measurement

The Consolidated Financial Statements have been prepared on the historical cost basis and applied consistently with no adjustments being made for inflationary factors affecting the Financial Statements, except for the following ;

Freehold properties classified under Property Plant & Equipment (PPE) are measured at cost at the time of acquisition and subsequently at revalued amount, which are the fair values at the date of revaluation less accumulated depreciation and impairment losses, if any.

- i Investment property is measured at fair value.
- ii Short-term quoted investments are measured at market value.
- iii Long-term quoted investments are measured at revalued amount.

3. FUNCTIONAL AND PRESENTATION CURRENCY

All values presented in the Financial Statements are in Sri Lankan Rupees Thousand (Rs.'000) unless otherwise indicated.

The individual Financial Statements of each of the Group entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

The Consolidated Financial Statements are presented in Sri Lankan Rupees, which is also the Company's functional currency.

4. USES OF ESTIMATES AND JUDGMENTS

The preparation of Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. Information about significant areas of estimation and uncertainty that have the most significant effect on the amounts recognized in the Financial Statements are set out on page....

4.1 Assessment of Impairment

The Group assesses at each Balance Sheet date whether there is objective evidence that an asset or portfolio of assets

is impaired. The recoverable amount of an asset or Cash Generating Unit (CGU) is the greater of its value in use and its fair value less costs to sell.

In assessing value in use, the estimated future cash flows are discounted to present value using appropriate discount rates that reflects the current market assessments of the time value of money and risks specific to the asset.

The carrying value of goodwill is reviewed at each Balance Sheet date and is written down to the extent that it is no longer supported by probable future benefits. Goodwill is allocated to CGU for the purpose of impairment testing.

4.2 Current Taxation

Current tax liabilities arise to the Group in various Jurisdictions. These liabilities are provided for in the Financial Statements applying the relevant tax statutes and regulations which the management believes reflect actual liability. There can be instances where the stand taken by the Group on transactions is contested by Revenue Authorities. Any additional costs on account of these issues are accounted for as a tax expense at the point liability is confirmed on any Group entity.

4.3 Value of Unquoted Investments

The unquoted equity investments have been valued based on the expected cash flows discounted at current rates applicable for items with similar terms and risk characteristics. This valuation requires the Company to make estimates about expected future cash flows and discount rates, and hence they are subject to uncertainty.

4.4 Defined Benefit Plan - Gratuity

The cost of defined benefit plan is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to uncertainty.

4.5 Deferred Tax Assets

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the level of future taxable profits together with future tax planning strategies.

Judgments

4.6 Owner Occupied Properties and Investment Property

In determining if a property qualifies as Investment Property the Company makes a judgment whether the property generates independent cash flows rather than cash flows that are attributable not only to the property but also other assets. Judgment is also applied in determining if ancillary services provided are significant, so that a property does not qualify as investment property.

5. MATERIALITY AND AGGREGATION

Each material class of similar items is presented aggregated in the Financial Statements. Items of dissimilar nature or function are presented separately unless they are immaterial.

6. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these Financial Statements. The accounting policies of the Company have been consistently applied by Group entities where applicable, and deviations if any, have been disclosed accordingly.

6.1 Basis of Consolidation

(i) Subsidiaries

Subsidiaries are entities that are controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of Subsidiaries are included in the Consolidated Financial Statements from the date that control effectively commences until the date that control effectively ceases.

The Non controlling interest is presented in the Consolidated Balance Sheet within equity, separately from the Equity attributable to the Equity Holders of the Company. Minority Interest in the profit or loss of the Group is disclosed separately in the Consolidated Income Statement.

The Consolidated Financial Statements are prepared to common financial year end of 31st March. The accounting policies of Subsidiaries have been changed where ever necessary to align them with the policies adopted by the Group.

In the Company's financial statements, investments in subsidiaries and associates are carried at cost less impairment if any, in net recoverable value.

The carrying amount of the investment at the date that such entity ceases to be a Subsidiary would be regarded as the cost on initial measurement of a financial asset in accordance with Sri Lanka Accounting Standard 22 "Accounting for Investments".

Company has consolidated the Financial Statements of Carson Cumberbatch PLC (CCPLC) with the Group on the following basis;

- (a) Company has a direct holding of 46.4% of the voting rights of CCPLC.
- (b) Directors are of the opinion that this direct holding is significant enough to influence other shareholders to obtain a clear majority of the voting rights of CCPLC.
- (c) Directors are also of the opinion that consolidation of Financial Statements of CCPLC gives a true and fair view of the affairs to the Shareholders of the Company.

A list of Subsidiaries within the Group is provided in Note 26 (a).

(ii) Transactions Eliminated on Consolidation

Intra-group transactions, balances and unrealized gains on transactions arising from intra-group transactions, are eliminated in full in preparing the consolidated financial statements. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are also eliminated in the same way as unrealized gains, but only to the extent there is no evidence of impairment.

(iii) Transaction with non-controlling interests

Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet, separately from parent shareholders' equity. Transactions with Non-controlling interests are accounted for using the parent entity extension approach, whereby on acquisition of Non-controlling interests, the difference between the consideration and book value of the share of the net assets acquired is recognized directly in goodwill. Gain or loss on disposal to Non-controlling interests is recognized in the income statement.

(iv) Associates

An associate is an entity, not being a subsidiary or a joint venture, in which the Group has significant influence. An associate is equity accounted for from the date the Group

obtains significant influence until the date the Group ceases to have significant influence over the associate.

The Group's investment in associates is accounted for using the equity method. Under the equity method, the investment in associate is measured in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill relating to an associate is included in the carrying amount of the investment and is neither amortised nor tested individually for impairment. Any excess of the Group's share of net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is recognised as income as part of the Group's share of profit or loss of the associate in the period in which the investment is acquired.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. The Group's profit or loss reflects share of the associates' profit or loss after tax and non-controlling interests in the subsidiaries of associates. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associates.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associates. The Group determines at each end of the reporting period whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in the income statement. The financial statements of associates are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of significant influence over the associate, the Group measures any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the aggregate of the retained investment and proceeds from disposal is recognised in the income statement.

(v) Financial year end

All companies in the Group have a common financial year which ends on 31st March.

6.2 Foreign Currencies

(i) Foreign Currency Transactions

In preparing the Financial Statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each Balance Sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing on the Balance Sheet date.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the period except for exchange differences arising in relation to the development of palm oil plantation and on monetary items that form part of the Group's net investment in foreign operations. Exchange differences incurred in relation to the development of palm oil plantation are capitalized to the related qualifying asset.

Exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, where that monetary item is denominated in either the functional currency of the reporting entity or the foreign operations, are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognized in profit or loss.

Exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, where that monetary item is denominated in a currency other than the functional currency of either the reporting entity or the foreign operations, are recognized in profit or loss for the period. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operations, regardless of the currency of the monetary item, are recognized in profit or loss in the Company's Financial Statements or the individual Financial Statements of the foreign operations, as appropriate. Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognized directly in equity. Exchange differences arising from such non-monetary items are also recognized directly in equity.

(ii) Foreign Operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency (LKR) of the consolidated Financial Statements are

translated into LKR as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate prevailing at the Balance Sheet date.
- Income and expenses for each income statement are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the transactions; and
- The exchange differences arising on the translation are taken directly to a separate component of equity. On disposal of foreign entity, the deferred cumulative amount recognized in equity relating to that particular foreign operation is recognized in the income statement.
- Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.
- The exchange rates applicable during the period were as follows:

	Balance Sheet Closing rate		Income Statement Average Rate	
	2011 Rs.	2010 Rs.	2011 Rs.	2010 Rs.
Malaysian Ringgit	36.46	34.92	35.43	34.34
US Dollar	110.40	114.00	112.13	114.24
Indonesian Rupiah (Rp)	0.01268	0.0125	0.01252	0.0117
Singapore \$	87.56	81.45	83.77	81.45

ASSETS AND BASES OF THEIR VALUATION

Assets classified as current assets in the Balance Sheet are cash and those which are expected to realize in cash, during the normal operating cycle of the Company's business, or within one year from the Balance Sheet date, whichever is shorter. Assets other than current assets are those which the Company intends to hold beyond a period of one year from the Balance Sheet date.

6.3 Property, Plant & Equipment and Depreciation

(a) Basis of Recognition

All items of property, plant & equipment are initially recorded at cost. Where items of property, plant & equipment are subsequently revalued, the entire class of such assets is revalued. Revaluations are made with sufficient regularity to ensure that their carrying amounts do not differ materially from their fair values at the balance sheet date. Subsequent to the initial recognition of the asset at cost the revalued property, plant & equipment are carried at revalued

amounts less accumulated depreciation thereon and accumulated impairment losses. The Group applies revaluation model to freehold properties and cost model to the remaining assets under property, plant & equipment which are stated at historical cost less accumulated depreciation less accumulated impairment losses, if any.

(b) Revaluation of Freehold Properties

The freehold properties of the Group are carried at revalued amounts. Revaluation of these assets are carried out at least once in five (5) years in order to ensure the book value reflect the realizable value of such assets, and are depreciated over the remaining useful lives of such assets, wherever applicable.

When an asset is revalued, any increase in the carrying amount is credited directly to a revaluation surplus unless it reverses a previous revaluation decrease relating to the same asset, which was previously recognized as an expense. In these circumstances the increase is recognized as income to the extent of the previous write down. When an asset's carrying amount is decreased as a result of a revaluation, the decrease is recognized as an expense unless it reverses a previous increment relating to that asset, in which case it is charged against any related revaluation surplus, to the extent that the decrease does not exceed the amount held in the revaluation surplus in respect of that same asset. Any balance remaining in the revaluation surplus in respect of an asset, is transferred directly to accumulated profits on retirement or disposal of the asset.

(c) Restoration Costs

Expenditure incurred on repairs or maintenance of Property, plant & equipment in order to restore or maintain the future economic benefits expected from originally assessed standard of performance, is recognized as an expense when incurred.

(d) Depreciation

The provision for depreciation is calculated by using a straight-line method on the cost or valuation of all Property, plant & equipment other than freehold land, in order to write off such amounts over the following estimated useful lives:

	Number of years
Land improvements	30
Buildings - Leased	20
Freehold	20
Plant & machinery	10 - 12.5
Motor vehicles	4 - 5
Furniture, fittings & office Equipment	5 - 10
Computers	3 - 5
Mature plantations	30

Depreciation of an asset begins when it is available for use whereas depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognized.

Land improvement costs are depreciated in the year the area planted becomes mature and ready for harvest.

(e) Disposal

The gains or losses arising on disposal or retirement of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment and included under Other Income in the Income Statement. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings.

(f) Subsequent Costs

Repairs and maintenance costs are taken to the income statement during the financial period in which they are incurred. The cost of major renovations and restorations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group, and is depreciated over the remaining useful life of the asset.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

6.4 Capital Work-in-Progress

Capital work-in-progress represents the accumulated cost of materials and other costs directly related to the construction of an asset. Capital in progress is transferred to the respective asset accounts at the time it is substantially completed and ready for its intended use.

a) Borrowing Costs

Borrowing costs are recognised in the income statement as incurred except to the extent that they are capitalised. Borrowing costs are capitalised if they are directly attributable to the acquisition, construction or production of a qualifying asset. Capitalisation of borrowing costs

commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are being incurred. Borrowing costs are capitalised until the assets are ready for their intended use or sale. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds

6.5 Leases

(a) Finance Lease

Leases of property, plant & equipment where the Group assumes substantially all the benefits and risks of ownership are classified as finance leases.

Assets held under finance lease are capitalized at the cash price as part of property, plant & equipment and depreciated over the shorter of the estimated useful lives of the assets or the lease term.

Upon initial recognitions assets acquired by way of finance leases are stated at an amount equal to the lower of their fair values and the estimated present value of the minimum lease payments at the date of inception less accumulated depreciation and impairment losses. In calculating the present value of the minimum lease payments, the discount rate is the interest rate implicit in the lease, if this is practicable to determine; if not, the group's incremental borrowing rate is used.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations and net of finance charges are included in borrowings. The interest element of the finance charge is charged to the income statement over the lease period.

Property, plant and equipment acquired under finance lease contracts are depreciated over the useful life of the asset. If there is no reasonable certainty that the ownership will be transferred to the Group, the asset is depreciated over the shorter of the lease term and its useful life.

(b) Operating Lease

Lease of assets under which all the risks and benefits of ownership are retained by the lesser are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

6.6 Project Expenditure in respect of preoperational activities is capitalized with the respective assets.

6.7 Plantations

(i) Permanent Land Development Costs

Land development costs incurred in respect of developing the land for cultivation which are permanent in nature, are capitalized.

(ii) Limited Life Land Development Cost

Limited life land development costs incurred in respect of new planting, replanting, inter-planting and crop diversifying including infilling cost of the oil palm plantation are capitalized in accordance with the Sri Lanka Accounting Standard 32 - 'Plantation'. The limited life land development costs are amortized over the estimated productive lives, at the commencement of commercial harvest, which has the following characteristics:

Time lag between Planting and Commercial Harvest	3-4 years
Duration of Commercial Harvest	26 years

6.8 Investment Property

Investment property is property held either to earn rental income or capital appreciation or for both, but not for sale on the ordinary course of business, use in production or supply of goods and services or for administrative purposes. Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions as at the balance sheet date. Formal valuations are carried out every 3 years by qualified valuers. Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

Investment properties are derecognized when either they have been disposed of or when the Investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in the Income Statement in the year of retirement or disposal.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by commencement/ end of owner occupation, commencement of development with a view to sale, commencement of an

operating lease to another party or completion of construction or development.

For a transfer from investment property to owner occupied property or inventories, the deemed cost of property for subsequent accounting is its fair value at the date of change in use. If the property occupied by the Group as an owner occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant & equipment up to the date of change in use. For a transfer from inventories to investment property, any difference between the fair value of the property at that date and its previous carrying amount is recognized in the income statement. When the Group completes the construction or development of a self-constructed investment property, any difference between the fair value of the property at that date and its previous carrying amount is recognized in the Income Statement.

6.9 Intangible Assets

(i) Goodwill

Goodwill acquired in a business combination is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is reviewed for impairment annually or more frequently if events and circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units identified according to its business unit, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired, by comparing the carrying amount of the cash-generating unit, including the goodwill, with the recoverable amount of the cash-generating unit. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount, an impairment loss is recognised in the income statement. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit (or group of cash-generating units) and part of the operation

within that cash-generating unit (or group of cash-generating units) is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the cash generating unit

(ii) Other intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair values as at the date of acquisition. Following initial acquisition, intangible assets are measured at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over their estimated useful lives and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortization period and the amortisation method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the income statement in the expense category consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually or more frequently if events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable.

Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

Software

All computer software costs incurred, licensed for use by the Group, which are not integrally related to associated hardware, which can be clearly identified, reliably measured and it's probable that they will lead to future economic benefits, are included in the Balance Sheet under the category intangible assets and carried at cost less accumulated amortization and any accumulated impairment losses. These costs are amortised to the income statement using the straight line method over 3 to 10 years.

Excise Licences

licences and others are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to the income statement using the straight line method over 10 years.

6.10 Investments

(i) Classification

Investments in subsidiaries and associates of the Company are treated as long-term investments and stated at cost. Other investments which are held for yield or capital appreciation are also classified as long-term investments. Investments that are intended to be held for trading purposes are classified as short-term investments.

(ii) Cost

Cost of investments is the cost of acquisition including brokerage, commission and other fees.

(iii) Valuation - Quoted Investments

The quoted investments that are acquired principally for the purpose of selling or held as part of a portfolio that is managed for short term profit are classified as short term investments. Those investments are initially recognized at cost and subsequently measured at market value. Gains and losses on market valuation are dealt with through the income statement. The quoted investments that are acquired and held for capital growth in the medium/long term are classified as long term investments. These are initially recognized as cost and subsequently measured at revalued amounts on quarterly basis.

(iv) Valuation - Unquoted Investments

All unquoted investments are carried at lower of cost and Directors' valuation, if any. Provision is made for any permanent diminution in value.

(v) Market Value of the Investment Portfolio

The market value of the investment portfolio is based on the following:

- (a) Marketable equity securities are stated at the values published in the Official Valuation List of the Colombo Stock Exchange. Where the Official Valuation is not available, the market value is stated at the last transacted price.
- (b) Units purchased from Unit Trusts are valued at the manager's buying price as at the Balance Sheet date.

6.11 Inventories

Inventories are recognized at cost and net realizable value whichever is lower after making due allowance for obsolete and slow moving items, except for fresh fruit bunches which are valued at since realized values.

The cost of inventories are determined on a weighted average basis except for food items and cutlery & Crockery which are ascertained on a first-in-first-out basis. The costs are derived on the following bases:

Raw Material and Containers - cost of purchase together with any incidental expenses.

Work-in-Progress - raw material cost and a proportion of manufacturing expenses.

Finished Goods - raw material cost and manufacturing expenses in full.

Land held for Development and Sales - Cost and development costs including borrowings costs up to

Point of completion for revenue recognition. However limited to the realizable value on valuation.

Linen Stock - in the year of purchase at cost of purchase and in the second year in use at 25% of the cost of purchase.

6.12 Trade and Other Receivables

Trade and other receivables are carried at original invoice amount less provision for impairment of trade receivables when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables. The carrying amount of the asset is reduced and the amount of the loss is recognized in the income statement under 'selling and marketing costs' When a trade receivable is uncollectible, it is written off against the provision for trade receivables. Subsequent recoveries of amounts previously written off are credited against 'selling and marketing costs' in the income statement.

6.13 Cash & Cash Equivalents

Cash & cash equivalents are defined as cash in hand and bank, demand deposits and short-term highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value. For the purpose of the Cash Flow Statement, cash & cash equivalents comprise of cash in hand and bank deposits held in banks and investments in money market instruments, net of short term loans and bank overdraft.

6.14 Impairment of Assets

The Group assesses assets or groups of assets for impairment at each reporting date or whenever events or changes in circumstances indicate that the carrying value of assets may not be recoverable. If any such indication of impairment exists, the Group makes an estimate of its recoverable amount. Individual assets are grouped for impairment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined; net of depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Assets with an indefinite useful life, including goodwill, are not subject to amortization and are tested on an annual basis for impairment and additionally whenever an indication of impairment exists. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

The recoverable amount of an asset is the higher of its fair value less costs to sell or its value in use. Any decrease in the carrying value is recognized as an expense in the Income Statement in the reporting period in which the impairment loss occurs.

For assets that do not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which that asset belongs. Management

judgment is applied to establish cash generating units. Each of these cash generating units is represented by an individual primary reporting segment, or a subdivision of a primary segment.

An impairment loss in respect of goodwill is not reversed. In respect of other assets impairment losses recognized in prior periods, are assessed at each balance sheet date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

LIABILITIES AND PROVISIONS

6.15 Liabilities

Liabilities classified as current liabilities in the Balance Sheet are those obligations payable on demand or within one (1) year from the Balance Sheet date. Items classified as non-current liabilities are those obligations which expire beyond a period of one (1) year from the Balance Sheet date.

6.16 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where appropriate, the future cash flow estimates are adjusted to reflect risks specific to the liability. Where the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

6.17 Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group. The group does not recognize contingent assets but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

In the acquisition of subsidiaries by the Group under business combinations, contingent liabilities assumed are measured initially at their fair value at the acquisition date, irrespective of the extent of any minority interest.

6.18 Environment Expenditures and Liabilities

Environment expenditures that relate to current or future revenues are expensed or capitalized as appropriate. Expenditures that relate to an existing condition caused by past operations and do not contribute to current or future earnings are expensed.

Liabilities for environment costs are recognized when environmental assessments or clean-ups are probable and the associated costs can be reliably estimated. Generally, the timing of recognition of these provisions coincides with the commitment to a formal plan of action or, if earlier, on divestment or on closure of inactive sites.

The amount recognized is the best estimate of the expenditure required. Where the liability will not be settled for a number of years, the amount recognized is the present value of the estimated future expenditure.

6.19 Retirement Benefit Obligations (Gratuity)

(i) Defined Benefit Plan - Gratuity

(a) Sri Lankan Subsidiaries

All local companies are liable to pay retirement benefits under the Payment of Gratuity Act, No. 12 of 1983.

Gratuity provision for employees are made using the assumption of an actuarial valuation as at 31st March 2009, carried out by a firm of independent professional Actuaries. As recommended by the Sri Lanka Accounting Standard No. 16 "Employee Benefit", the "Projected Unit Credit" (PUC) method has been used in this valuation.

Such actuarial valuations will be carried out once in every two (2) years.

The liability is not externally funded.

(b) Indonesian Subsidiaries

These subsidiaries recognize an unfunded retirement benefits liability, relating to the settlement of termination, gratuity, compensation and other benefits set forth in Labor Law No. 13 year 2003 (Law No. 13/2003) based on an actuarial calculation by an independent actuary using the "Projected Unit Credit Method". Actuarial gains or losses are recognized as income or expense when the cumulative actuarial gains or losses exceed 10% of the defined benefit obligation. These gains or losses are recognized over the expected remaining working lives of employees.

(c) Malaysian Subsidiaries

Appropriate provisions for defined benefit plan for the Company's operations in Malaysia are made in the financial statements where employees have served in the Company's operations in Malaysia for more than five years and fulfilling the conditions in the Malayan Agricultural Producers Association/national Union Plantation Workers' Agreement. The provisions are charged to the Income statement in the year in which services are rendered by the employees.

(d) Singaporean Subsidiary

The Singapore Company in the Group makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognized as an expense in the period in which the related service is performed.

(ii) Defined Contribution Plans - Employees' Provident Fund and Employees' Trust Fund

All employees who are eligible for Provident Fund contributions and Trust Fund contributions are covered by relevant contribution funds in line with the respective statutes. Employer's contributions to the defined contribution plans are recognized as an expense in the Income Statement when incurred.

6.20 Interest-Bearing Loans and Borrowings

Interest-bearing bank loans are recorded at the amount of proceeds received, net of transaction costs.

Borrowing costs directly attributable to the acquisition and construction of development properties and

Property, plant and equipment are capitalized as part of the cost of those assets, until such time as the assets are ready

for their intended use or sale. All other borrowing costs are charged to the income statement as an expense in the period in which they are incurred.

6.21 Stated Capital

Ordinary shares and preference shares are classified as equity and incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

INCOME STATEMENT

6.22 Revenue Recognition

The Group revenue represents sales to customers outside the Group and sales within the Group which are intended for internal consumption.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group, and the revenue and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and sales taxes, and after eliminating sales within the Group. The following specific criteria are used for the purpose of recognition of revenue:

Sale of goods

Revenue from the sale of goods is recognized when all the following conditions are satisfied:

- The group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognized by reference to the stage of completion of the contract. The stage of completion of the contract is determined as follows:

- servicing fees included in the price of products sold are recognized by reference to the proportion of the total cost of providing the servicing for the product sold,

taking into account historical trends in the number of services actually provided on past goods sold; and

- Revenue from time and material contracts is recognized at the contractual rates as labor hours are delivered and direct expenses are incurred.

Royalties

Royalty revenue is recognized on an accrual basis in accordance with the substance of the relevant agreement. Royalties determined on a time basis are recognized on a straight-line basis over the period of the agreement. Royalty arrangements that are based on production, sales and other measures are recognized by reference to the underlying arrangement.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend Income

When the shareholders' right to receive dividend is established.

Sale of Fresh Fruit Bunches

Upon delivery and acceptance by customers.

Rental Income

On a time proportion basis.

Proceeds on Sales of Shares

On accrual basis.

Sale of Residential Units

Revenue is recognized on percentage completion basis. Revenue recognition is commenced when properties are sold and/or the buyers have taken possession of such properties and up to the maximum of percentage completed or cash paid by the buyer whichever is lower.

For this purpose, the property is deemed to be sold once 30% of the outright sales price has been received or 30% of work completed.

Other Income - on accrual basis

Net gains and losses of a revenue nature resulting from the disposal of property, plant & equipment have been accounted for in the Income Statement.

Profits or losses on disposal of investments are accounted for in the Income Statement on the basis of realized net profit.

6.23 Expenditure Recognition

(i) Operating Expenses

All expenses incurred in day-to-day operations of the business and in maintaining the property, plant & equipment in a state of efficiency has been charged to revenue in arriving at the profit or loss for the year. Provision has also been made for bad and doubtful debts, all known liabilities and depreciation on property, plant & equipment.

(ii) Finance Expenses

Interest expenses are recognized on an accrual basis.

(iii) Borrowing Costs

All borrowing costs are recognized as an expense in the period in which they are incurred except those that are directly attributable to the construction or development of property, plant & equipment/biological assets which are capitalized as a part of the cost of that asset during the period of construction or development.

6.24 Income Tax Expense

Income tax expenses comprise current and deferred tax. Income tax expenses are recognized in the Income Statement except to the extent that it relates to the items recognized directly in equity, in which case it is recognized in Statement of Changes in Equity.

(i) Current Taxation

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to Revenue Authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

The provision for current tax on Sri Lankan operations is based on the elements of income and expenditure as reported in the Financial Statements and computed in accordance with the provisions of the Inland Revenue Act.

Current tax has been provided on overseas operations in accordance with the relevant statutes in force in the countries in which operations are carried out.

The relevant details are disclosed in respective notes to the Financial Statements.

(ii) Deferred Taxation

Deferred income tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax asset is reviewed at each end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each end of the reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period.

Deferred income tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

(iii) Economic Service Charge (ESC)

As per the provisions of Economic Service Charge Act No. 13 of 2006 and amendments thereto, is payable on "Liable Turnover" and is deductible from the income tax payments. Any unclaimed ESC can be carried forward and settle against the income tax payable in the four subsequent years.

(iv) Social Responsibility Levy (SRL)

As per the provisions of Finance Act No. 5 of 2005, and amendments thereto, the SRL was introduced with effect from January 1, 2005. SRL is payable at the rate of 1.5% on all taxes and levies chargeable as specified in the First Schedule of the Act.

6.25 Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is Calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

6.26 Segmental Information

Segmental information is presented for identifiable operative units of the Group classified according to two segment formats, namely, industry and geographical segments.

(i) Industry Segment

The activities of the Group have been broadly classified into seven segments according to the nature of product or service rendered.

(ii) Geographical Segment

The activities of the Group have been broadly classified into four segments, namely, operations within Sri Lanka, Malaysia, Indonesia and Singapore based on geographical spread of operations.

Segmental expenses are expenses that are directly attributed to a segment or a relevant portion of expenses that can be allocated on a reasonable basis as determined by the Management.

6.27 Related Party Transactions

Disclosure has been made in respect of the transactions in which one party has the ability to control or exercise significant influence over the financial and operating policies/decisions of the other, irrespective of whether a price is charged.

6.28 Events after the Balance Sheet Date

All material and important events which occur after the Balance Sheet date have been considered and disclosed in Note 46.

7. DIVIDENDS ON ORDINARY AND PREFERENCE SHARES

Dividends on ordinary shares are recognized as a liability and deducted from equity when they are approved by the Company's shareholders. Interim dividends are deducted from equity when they are declared and are no longer at the discretion of the Company.

Dividends on preference shares are accrued in the Financial Statements.

8. CASH FLOW

Interest paid, interest received and dividend received are classified as operating cash flows, while dividend paid is classified as financing cash flows for the purpose of presentation of Cash Flow Statement which has been prepared using the "Indirect Method".

9. PRESENTATION

Offsetting Income and Expenses

Income and expenses are not offset unless required or permitted by accounting standards.

Offsetting Assets and Liabilities

Assets and liabilities are offset and the net amount reported in the Balance Sheet only where there is:

- A current enforceable legal right to offset the asset and liability; and
- An intention to settle on a net basis, or to realize the asset and settle the liability simultaneously

10. DIRECTORS' RESPONSIBILITY

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

This is more fully described under the relevant clause in the Directors' Report.

11. NEW ACCOUNTING STANDARDS ISSUED BUT NOT EFFECTIVE AS AT BALANCE SHEET DATE

The Institute of Chartered Accountants of Sri Lanka has issued a new volume of Sri Lanka Accounting Standards which will become applicable for financial periods beginning on or after 1st January 2012. Accordingly, these Standards have not been applied in preparing these financial statements as they were not effective for the year ended 31st March 2011.

These Sri Lanka Accounting Standards comprise Accounting Standards prefixed both SLFRS (corresponding to IFRS) and LKAS (corresponding to IAS). Application of Sri Lanka Accounting Standards prefixed SLFRS and LKAS for the first time shall be deemed to be an adoption of SLFRSs.

The Company is currently in the process of evaluating the potential effects of these Standards on its financial statements and the impact on the adoption of these Standards have not been quantified as at Balance Sheet date.

(Amounts expressed in Sri Lankan Rs.'000)

For the year ended	Group		Company	
	31st March 2011	31st March 2010	31st March 2011	31st March 2010
12. REVENUE				
Revenue Analysis				
(i) Gross revenue	39,735,820	25,490,217	130,965	332,444
Less: Taxes to the Government of Sri Lanka (Value added tax)	(2,008,292)	(1,624,842)	-	-
Net Revenue	37,727,528	23,865,375	130,965	332,444
Goods and Services Analysis				
Sale of goods	32,285,442	20,490,026	-	-
Services				
Investment income	8,264,865	5,682,826	130,965	332,444
Property rental income	175,566	179,344	-	-
Commission, management services & royalty fees	1,789,923	1,372,223	-	-
Hospitality services	336,758	222,784	-	-
	10,567,112	7,457,177	130,965	332,444
Net revenue before intra-group transactions	42,852,554	27,947,203	130,965	332,444
Intra-group transactions	(5,125,026)	(4,081,828)	-	-
Net revenue	37,727,528	23,865,375	130,965	332,444

A detailed analysis of Group Revenue highlighting the contribution from different segments is given under 'Segmental Information' in Notes 12 (III) & (IV) (pages 60-62) to the Financial Statements.

(ii) **Segmental Information**

For management purposes the Group's primary format segment reporting is Industry segments and the secondary format is geographical segments. The risks and returns of the Group's operations are primarily determined by the nature of the different activities that the Group engages in, rather than the geographical location of these operations.

This is reflected by the Group's organizational structure. Industry segment activities of the Group have been broadly classified into seven segments: Investment Holdings, Oil Palm Plantations, Beverage, Real-Estate, Hotels, Airlines and Management Services according to the nature of product or service rendered. The principal products and services of each segment are as follows.

- Investment Holdings - Holdings and managing an investment portfolio Investments
- Oil Palm Plantations - Production and sale of palm oil and palm kernel and fresh fruit bunches (palm) to the local and international market
- Beverage - Production and sale of Beer for local and international market
- Real Estate - Letting of office and warehouse premises on rent for commercial purpose and marketing of residential land plots
- Hotels - Owning and operating Hotels
- Airlines - General Sales Agent/Airline Ticketing
- Management Services - Providing Management Service

Sales between segments are made at prices that are approximate market prices. Segment revenue, segment expense and segment result include transactions between industry segments. These transactions and any unrealized profits and losses are eliminated on consolidation. Segmental expenses are expenses that are directly attributed to a relevant segment or a portion of expenses that can be allocated on a reasonable basis as determined by the Management.

The Group's geographical segments are based on the location of the Group's assets and spread of operations. The activities of the Group have been broadly classified into four geographical segments, namely, operations within Sri Lanka, Malaysia, Indonesia and Singapore. Sales to external customers are segmented based on the location of the seller. The principal product and services of each geographical segments are follows:

- Sri Lanka - Investments, production & sale of Beer, letting of Office and warehouse premises on rent for commercial purpose and marketing residential land plots, Hoteliering, Airline Ticketing and Management Services.
- Malaysia - Investments, Management Service and Production and sale of fresh fruit bunches of oil palm to the local and international market
- Indonesia - Management Service and production and sale of palm oil palm and kernel to the local and international market
- Singapore - Investments

Principal categories of customers

The principal categories of customer for these goods and services are corporate customers, government customers, wholesale customers and retail customers. The group's reportable segments are therefore as follows:

- Investment Holdings - Corporate customers, retail customers
- Oil Palm Plantations - Corporate customers
- Beverage - Wholesale & retail customers
- Real Estate - Corporate customers, retail customers
- Hotels - Corporate customers, retail customers
- Airlines - Corporate customers, retail customers
- Management Services - Corporate customers

(Amounts expressed in Sri Lankan Rs.'000)

12. REVENUE (CONTD.)

(iii) SEGMENTAL INFORMATION - The Primary segments (business segments)

(a) Segment results are as follows:

<i>For the year ended 31st March</i>	Investment Holdings		Oil Palm Plantations		Beverage	
	2011	2010	2011	2010	2011	2010
Total revenue	6,851,700	5,262,630	23,412,363	13,828,517	11,867,534	8,293,766
Intra segment revenue	(2,451,528)	(2,400,877)	(1,914,928)	(1,227,723)	(141,947)	(91,469)
Segment revenue	4,400,172	2,861,753	21,497,435	12,600,794	11,725,587	8,202,297
Inter segment revenue	(402,886)	(206,315)	-	-	-	-
Revenue	3,997,286	2,655,438	21,497,435	12,600,794	11,725,587	8,202,297
Segment results	2,375,647	1,742,556	8,841,075	4,901,793	1,926,187	945,407
Finance expenses	(101,229)	(88,565)	(438,537)	(252,926)	(203,039)	(262,485)
Foreign exchange gain	-	-	546,528	1,405,829	-	-
Share of net result of associates	-	740	-	-	-	-
Profit / (loss) before taxation	2,274,418	1,654,731	8,949,066	6,054,696	1,723,148	682,922
Income tax expenses						
Current taxation	(6,227)	(43,636)	(1,735,220)	(1,376,862)	(521,712)	(17,751)
Deferred taxation	-	-	(502,238)	(221,557)	(77,209)	11,231
Profit / (loss) for the year	2,268,191	1,611,095	6,711,608	4,456,277	1,124,227	676,402
Attributable to:						
Owners of the Company	898,542	608,309	2,031,513	2,197,957	301,678	154,058
Non controlling interest	1,369,649	1,002,786	4,680,095	2,258,320	822,549	522,344
	2,268,191	1,611,095	6,711,608	4,456,277	1,124,227	676,402

(b) Segment Assets / liabilities are as follows:

<i>As at 31st March</i>	2011	2010	2011	2010	2011	2010
SEGMENT ASSETS						
Non-Current Assets						
Property, plant & equipment	6,446	8,016	35,059,931	26,247,510	3,659,536	2,384,713
Intangible assets	188,021	189,838	282,527	241,456	308,742	311,275
Long-term investments	11,355,186	6,528,071	-	-	2,187,086	1,447,415
Asset held-for-sale	-	-	-	-	-	-
Land compensation receivable	-	-	-	-	-	-
Deferred tax assets	-	-	395,641	553,517	-	-
Total non-current asset	11,549,653	6,725,925	35,738,099	27,042,483	6,155,364	4,143,403
Current Assets						
Inventories	-	-	2,796,240	1,753,734	1,017,581	871,899
Trade and other receivables	111,434	83,786	3,200,453	3,594,055	1,376,279	1,253,363
Short-term investments	1,202,224	670,508	-	-	-	-
Cash and cash equivalents	563,732	307,359	9,385,508	852,226	1,099,606	164,839
Total current assets	1,877,390	1,061,653	15,382,201	6,200,015	3,493,466	2,290,101
Total segmental assets	13,427,043	7,787,578	51,120,300	33,242,498	9,648,830	6,433,504
SEGMENT LIABILITIES						
Non-Current Liabilities						
Interest bearing borrowings	239,600	431,000	17,399,039	7,402,699	1,251,728	127,265
Long-term creditors	-	-	-	222,061	744,062	627,838
Deferred tax liabilities	1,896	-	1,122,366	887,910	470,318	399,919
Retirement benefit obligations	1,721	563	251,541	165,713	51,628	34,851
Total non-current liabilities	243,217	431,563	18,772,946	8,678,383	2,517,736	1,189,873
Current Liabilities						
Trade and other payables	152,996	215,417	3,214,363	3,265,552	1,281,448	740,381
Long-term borrowings falling due within one year	183,000	244,250	1,804,194	1,878,667	85,322	40,687
Short-term borrowings	1,241,562	1,093,651	552,000	570,000	558,946	673,183
Total current liabilities	1,577,558	1,553,318	5,570,557	5,714,219	1,925,716	1,454,251
Total segmental liabilities	1,820,775	1,984,881	24,343,503	14,392,602	4,443,452	2,644,224

(c) Other Information

Total cost incurred during the period to acquire

Property, plant & equipment	602	178	3,855,323	4,521,756	685,990	126,219
Intangible assets/prepaid lease payment	-	113	433,938	243,092	4,289	2,038
Depreciation and amortization	3,990	4,367	1,150,505	1,170,207	149,828	141,694
Salaries and wages	27,563	14,819	1,536,650	1,052,050	447,213	369,138
Gratuity	1,157	201	82,268	59,798	17,710	7,063

Real Estate		Hotels		Airlines		Management Services		Group	
2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
179,746	192,979	336,758	222,784	4,173	7,421	200,281	139,107	42,852,555	27,947,204
(1,867)	(6,091)	-	-	-	-	-	-	(4,510,270)	(3,726,160)
177,879	186,888	336,758	222,784	4,173	7,421	200,281	139,107	38,342,285	24,221,044
(14,964)	(13,139)	-	-	-	-	(196,907)	(136,215)	(614,757)	(355,669)
162,915	173,749	336,758	222,784	4,173	7,421	3,374	2,892	37,727,528	23,865,375
41,673	(36,316)	78,452	24,231	(3,206)	1,570	(31,406)	(34,322)	13,228,422	7,544,919
(26,334)	(72,745)	(5,001)	(6,959)	(4)	-	(90)	(331)	(774,234)	(684,011)
-	-	-	-	-	-	-	-	546,528	1,405,829
-	-	-	-	-	-	-	-	-	740
15,339	(109,061)	73,451	17,272	(3,210)	1,570	(31,496)	(34,653)	13,000,716	8,267,477
(11,102)	(8,382)	(8,477)	(2,238)	(96)	(678)	(4,431)	(2,540)	(2,287,265)	(1,452,087)
24,679	(2,109)	(3,074)	4,295	-	-	-	-	(557,842)	(208,140)
28,916	(119,552)	61,900	19,329	(3,306)	892	(35,927)	(37,193)	10,155,609	6,607,250
13,906	(49,395)	26,831	8,562	(1,534)	414	(16,671)	(17,259)	3,254,265	2,902,646
15,010	(70,157)	35,069	10,767	(1,772)	478	(19,256)	(19,934)	6,901,344	3,704,604
28,916	(119,552)	61,900	19,329	(3,306)	892	(35,927)	(37,193)	10,155,609	6,607,250
2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
1,872,277	1,824,554	906,833	764,055	454	551	27,835	32,856	41,533,312	31,262,255
27,584	74,460	-	-	-	-	340	590	807,214	817,619
-	-	-	-	-	-	-	-	13,542,272	7,975,486
-	-	-	-	-	-	-	-	-	-
-	-	189,463	189,463	-	-	-	-	189,463	189,463
-	-	1,222	4,296	-	-	-	-	396,863	557,813
1,899,861	1,899,014	1,097,518	957,814	454	551	28,175	33,446	56,469,124	40,802,636
503,155	586,695	14,114	12,120	-	-	89	93	4,331,179	3,224,541
7,320	8,606	39,483	33,729	5,641	3,993	32,116	28,565	4,772,726	5,006,097
-	-	-	-	-	-	-	-	1,202,224	670,508
24,021	17,315	51,026	14,282	94	800	3,788	6,756	11,127,775	1,363,577
534,496	612,616	104,623	60,131	5,735	4,793	35,993	35,414	21,433,904	10,264,723
2,434,357	2,511,630	1,202,141	1,017,945	6,189	5,344	64,168	68,860	77,903,028	51,067,359
-	142,000	34,182	47,370	-	-	-	-	18,924,549	8,150,334
28,990	23,330	-	-	-	-	-	-	773,052	873,229
110,766	157,865	-	-	-	-	-	-	1,705,346	1,445,694
4,605	5,705	5,910	4,436	1,320	804	17,368	10,321	334,093	222,393
144,361	328,900	40,092	51,806	1,320	804	17,368	10,321	21,737,040	10,691,650
26,436	16,145	44,718	30,068	646	747	46,846	31,808	4,767,453	4,300,118
142,000	145,830	9,468	16,389	-	-	-	-	2,223,984	2,325,823
-	-	998	1,364	3,221	-	-	-	2,356,727	2,338,198
168,436	161,975	55,184	47,821	3,867	747	46,846	31,808	9,348,164	8,964,139
312,797	490,875	95,276	99,627	5,187	1,551	64,214	42,129	31,085,204	19,655,789
27,602	13,793	22,790	3,904	23	45	10,904	762	4,603,234	4,666,657
-	-	-	-	-	-	-	360	438,227	245,603
9,490	14,632	16,076	12,513	25	98	13,198	22,336	1,343,112	1,365,847
31,000	21,496	58,168	48,535	3,658	3,397	114,369	98,640	2,218,621	1,608,075
2,036	890	2,353	1,132	516	175	9,980	2,652	116,020	71,911

(Amounts expressed in Sri Lankan Rs.'000)

12. REVENUE (CONTD.)

(iv) SEGMENTAL INFORMATION-The primary segments (Geographical Segments)

(a) Segment results are as follows :

For the year ended 31st March	Sri Lanka		Malaysia		Indonesia		Singapore		Group	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Revenue	16,340,690	11,270,605	1,182,640	678,917	19,806,698	11,779,225	397,500	136,628	37,727,528	23,865,375
Segment results	4,747,755	2,801,527	847,321	410,410	7,244,585	4,245,591	388,761	87,391	13,228,422	7,544,919
Finance cost	(335,751)	(431,085)	-	-	(434,669)	(252,926)	(3,814)	-	(774,234)	(684,011)
Foreign exchange loss	-	-	-	-	546,528	1,405,829	-	-	546,528	1,405,829
Share of net result of Associate	-	740	-	-	-	-	-	-	-	740
Profit/ (loss) before taxation	4,412,004	2,371,182	847,321	410,410	7,356,444	5,398,494	384,947	87,391	13,000,716	8,267,477
Income tax expenses										
Current taxation	(639,694)	(75,215)	(174,847)	(103,211)	(1,472,658)	(1,273,487)	(66)	(174)	(2,287,265)	(1,452,087)
Deferred taxation	(55,602)	13,416	65	5,366	(502,305)	(226,922)	-	-	(557,842)	(208,140)
Profit/ (loss) for the year	3,716,708	2,309,383	672,539	312,565	5,381,481	3,898,085	384,881	87,217	10,155,609	6,607,250

(b) Segment asset liabilities are as follows :

Segment Assets

Non-Current Assets

Property, plant & equipment	6,545,704	5,235,801	5,075,439	4,787,225	29,912,169	21,239,229	-	-	41,533,312	31,262,255
Intangible assets	597,898	602,522	1,318	250	207,998	214,847	-	-	807,214	817,619
Long-term investments	11,355,186	6,528,071	-	-	-	-	2,187,086	1,447,415	13,542,272	7,975,486
Asset held-for-sale	-	-	-	-	-	-	-	-	-	-
Land compensation receivable	189,463	189,463	-	-	-	-	-	-	189,463	189,463
Deferred tax assets	1,301	4,295	2,577	3,803	392,985	549,715	-	-	396,863	557,813
Total non-current asset	18,689,552	12,560,152	5,079,334	4,791,278	30,513,152	22,003,791	2,187,086	1,447,415	56,469,124	40,802,636

Current Assets

Inventories	1,535,562	1,470,930	2,762	2,680	2,792,855	1,750,931	-	-	4,331,179	3,224,541
Trade and other receivables	1,680,661	1,446,123	75,866	238,962	2,251,367	2,236,406	764,832	1,084,606	4,772,726	5,006,097
Short-term investments	1,202,224	670,508	-	-	-	-	-	-	1,202,224	670,508
Cash and cash equivalents	1,890,742	771,508	669,992	59,972	7,384,124	482,252	1,182,917	49,845	11,127,775	1,363,577
Total current assets	6,309,189	4,359,069	748,620	301,614	12,428,346	4,469,589	1,947,749	1,134,451	21,433,904	10,264,723
Total segmental assets	24,998,741	16,919,221	5,827,954	5,092,892	42,941,498	26,473,380	4,134,835	2,581,866	77,903,028	51,067,359

Segment Liabilities

Non-Current Liabilities

Interest bearing borrowings	1,525,511	747,635	-	-	12,983,038	7,402,699	4,416,000	-	18,924,549	8,150,334
Long-term creditors	773,052	500,558	-	-	-	372,671	-	-	773,052	873,229
Deferred tax liabilities	582,980	557,886	68,772	70,117	1,053,594	817,691	-	-	1,705,346	1,445,694
Retirement benefit obligations	86,191	58,839	7,105	7,736	240,797	155,818	-	-	334,093	222,393
Total non-current liabilities	2,967,734	1,864,918	75,877	77,853	14,277,429	8,748,879	4,416,000	-	21,737,040	10,691,650

Current Liabilities

Trade and other payables	1,604,689	1,044,946	48,267	49,677	3,107,109	3,199,641	7,388	5,854	4,767,453	4,300,117
Long-term borrowings falling due within one year	419,790	447,156	-	-	1,804,194	1,878,667	-	-	2,223,984	2,325,823
Short-term borrowings	1,804,727	1,768,198	-	-	552,000	570,000	-	-	2,356,727	2,338,198
Total current liabilities	3,829,206	3,260,300	48,267	49,677	5,463,303	5,648,308	7,388	5,854	9,348,164	8,964,139
Total segmental liabilities	6,796,940	5,125,218	124,144	127,530	19,740,732	14,397,187	4,423,388	5,854	31,085,204	19,655,789

Other Information

Total cost incurred during the period to acquire

Property, plant & equipment	797,496	156,223	42,187	3,933	3,763,551	4,506,501	-	-	4,603,234	4,666,657
Intangible assets	55,748	14,618	1,027	246	381,452	230,739	-	-	438,227	245,603
Depreciation and amortization	226,539	215,557	15,373	14,046	1,101,200	1,136,244	-	-	1,343,112	1,365,847
Salaries and wages	736,401	588,588	84,874	69,353	1,397,346	950,134	-	-	2,218,621	1,608,075
Gratuity	35,229	12,939	(215)	1,283	81,006	57,689	-	-	116,020	71,911

(Amounts expressed in Sri Lankan Rs.'000)

For the year ended	Group		Company	
	31st March 2011	31st March 2010	31st March 2011	31st March 2010
13 GAIN ON DISPOSAL OF NON CURRENT INVESTMENTS				
Gain on disposal of non current investments	-	-	3,565,695	-
Gain on disposal of rights	22,343	-	-	-
Profit/(loss) on disposal of Associates	-	(289)	-	-
	22,343	(289)	3,565,695	-

Gain on disposal of non current investments

Company's subsidiary, Goodhope Asia Holdings Ltd (GHAL), purchased a 70% stake in PT Agro Bukit (PTAB) and 13.33% stake in Shalimar Developments Sdn Bhd (SDSB) from the Company and a further 20% stake of PTAB from SDSB. With this acquisition, share holder loans due to the Company and SDSB from PTAB were also transferred to GHAL.

Gain on disposal of rights

During the year Carsons Group restructured its investment business portfolio by identifying Guardian Capital Partners PLC (GCP), formerly known as Watapota Investment PLC to specialise in private equity investments. To execute this strategy Carson Cumberbatch PLC (CCPLC) sold its rights entitlement in GCP rights issue to Ceylon Guardian Investment Trusst PLC (CGITPLC), thereby transferring the direct controlling interest of GCP to CGITPLC. The rights were transferred at Rs.10.30 per share to CGITPLC and part at market prices prevalent and the trading floor.

Profit/(loss) on disposal of Associates

On 25th January 2010, Company disposed part of its 22% associate stake of Ceybank Asset Management (Pvt) Limited formerly known as Unit Trust Management Company (Pvt) Ltd (UTMCL) to the majority shareholder of UTMCL, Bank Of Ceylon. Consequent to this disposal and the subsequent capital restructure that took place at UTMCL, Company's holding was reduced to 12.6%.

For the year ended	Group		Company	
	31st March 2011	31st March 2010	31st March 2011	31st March 2010
14 OTHER INCOME				
Interest income	14,174	21,819	-	-
Profit on disposal of investment property:				
Real Estate sector	-	-	-	-
Profit on disposal of fixed assets:				
Beverage Sector	-	926	-	-
Plantation Sector	(7,432)	(1,979)	-	-
Real estate Sector	971	(16)	-	-
Management Services Sector	2,276	2,312	-	-
	(4,185)	1,243	-	-
Foreign exchange gain/(loss) - from operations	(276,399)	(74,511)	-	-
Bargain purchase of on acquisition of subsidiaries	245,980	-	-	-
Sales of sludge Oil	194,809	34,408	-	-
Sundry income	78,000	55,425	-	-
	252,379	38,384	-	-

(Amounts expressed in Sri Lankan Rs.'000)

15 OTHER OPERATING EXPENSES

Other operating expenses consist of power and energy costs, maintenance expenditure of the Beverage sector.

For the year ended	Group		Company	
	31st March 2011	31st March 2010	31st March 2011	31st March 2010

16 IMPAIRMENT OF BUSINESS ASSETS

(i) Land held for development and sales

Equity Nine (Private) Limited	2,888	4,584	-	-
Equity Developers Private Limited	-	6,336	-	-
	2,888	10,920	-	-

(a) Impairment

In assessing whether a write-down is required in the carrying value of a potentially impaired asset, its carrying value is compared with its recoverable amount, which is the higher of the asset's fair value less costs to sell and value in use.

(a) Detail of impairment

(i) Land held for development and sale

Provision for difference between the carrying value of the land held for development and sale and the market value as at year end based on professional valuation/net realizable value.

For the year ended	Group		Company	
	31st March 2011	31st March 2010	31st March 2011	31st March 2010

17 FINANCE EXPENSES

Interest expense

Long-term borrowings	682,556	390,888	-	-
Finance leases interest	-	13,585	-	-
Short-term borrowings	219,258	341,996	-	-
	901,814	746,469	-	-
Less: Amount capitalized as Property plant and equipment	(127,580)	(62,458)	-	-
	774,234	684,011	-	-

18 FOREIGN EXCHANGE GAIN

Investment Sector

As at 31st March 2011, the Carsons Cumberbatch PLC recorded a foreign exchange gain of Rs 3.9 mn [2010 - Rs.Nil], arising mainly from revaluation of US Dollar denominated long - term borrowings (Note 39(b)).

Plantation Sector

As at 31st March 2011, the Company's foreign Subsidiaries, PT Agro Indomas, PT Agro Bukit, & PT Karayamakmur recorded a foreign exchange gain of Rs.546.52 mn (Rp 43,101 mn) [2010 - Rs.1405.82 mn (Rp 120,156 mn)], arising mainly from revaluation of US Dollar denominated long - term borrowings (Note 39(b)).

19 SHARE OF NET RESULTS OF ASSOCIATE

For the year ended	Associate Companies'				Group's Share of Profit after Tax	
	Revenue		Profit after Tax		31st March 2011	31st March 2010
	31st March 2011	31st March 2010	31st March 2011	31st March 2010		
ACW Insurance (Pvt.) Ltd.*	-	-	-	1,416	-	328
Ceybank Assets Management (Private) Limited **	-	39,754	-	18,539	-	412
	-	39,754	-	19,955	-	740

* Ceased to be Associate effective 01/04/2010

** Ceased to be an Associate in 2009/10

(Amounts expressed in Sri Lankan Rs.'000)

For the year ended	Group		Company	
	31st March 2011	31st March 2010	31st March 2011	31st March 2010
20. PROFIT FROM OPERATIONS				
Profit before tax has been arrived at after charging				
Depreciation and amortization [Note a]	1,343,112	1,365,847	-	-
Auditors' remuneration and other professional services expenses [Note 20.b]	40,672	30,457	755	317
Professional services [Note 20.c]	148,419	59,675	-	-
Personnel cost [Note 20.d]	2,334,641	1,777,986	-	30
Audit committee fees	950	1,883	-	-
Donations	28,152	3,028	-	-
Royalty	64,063	117,443	-	-
Research & development costs	34,040	19,558	-	-
Breakages -bottles and crates	98,008	106,123	-	-
(a) Depreciation and amortization				
Depreciation of property, plant and equipment	1,245,440	1,320,493	-	-
Amortization of Prepaid lease payments for land	49,951	16,077	-	-
Amortization of intangible assets	47,721	29,277	-	-
Total depreciation and amortization expense	1,343,112	1,365,847	-	-
Depreciation and amortization Included in the Income Statement under the following headings:				
Direct operational expenses	846,105	971,774	-	-
Administration	425,837	296,036	-	-
Distribution	17,638	20,483	-	-
Other operating expenses	8,533	7,273	-	-
Capitalized to Property plant & equipments	44,999	70,281	-	-
	1,343,112	1,365,847		
(b) Auditors' Remuneration and Other Professional Services Expenses				
Auditors' remuneration				
Fees payable to KPMG Ford, Rhodes, Thornton & Company for the audit of annual accounts of Bukit Darah PLC	200	150	200	150
Fees payable to KPMG Ford, Rhodes, Thornton & Company for the audit of subsidiaries of Bukit Darah PLC	4,814	3,810	-	-
Fees payable to other auditors for the audit of subsidiaries Bukit Darah PLC	32,861	25,126	-	-
Total statutory audit fees	37,875	29,086	200	150
Tax Services				
Advisory / Compliance services-(other Auditors)	-	-	-	-
Advisory service-(KPMG Sri Lanka)	996	524	-	-
	996	524	-	-
Other Services				
Audit related/Non audit services	1,801	847	555	167
Total services costs	2,797	1,371	555	167
Total remuneration	40,672	30,457	755	317
(c) Professional Services				
Legal services	30,302	21,832	-	-
Valuation services	1,305	753	-	-
Consultation fees - restructure	2,265	1,794	490	-
Plantation Consultant services	103,497	3,187	-	-
Other services	11,050	32,109	-	-
	148,419	59,675	490	-

(Amounts expressed in Sri Lankan Rs.'000)

For the year ended	Group		Company	
	31st March 2011	31st March 2010	31st March 2011	31st March 2010
(d) Personnel Expenses				
Salaries, wages and other related expenses	2,167,405	1,563,087	-	30
Defined contribution plan expenses - EPF & ETF	51,216	44,988	-	-
Defined benefit plan expenses - gratuity	116,020	71,911	-	-
	2,334,641	1,679,982	-	30
The above include:				
Directors fees	13,596	8,518	-	30
Directors' emoluments	127,999	94,685	-	-
	141,595	103,203	-	30
	2011 Year end	Average	2010 Year end	Average

(e) Group				
The details of employees during the year				
Employees by Industry				
Investment Holdings	9	7	5	5
Oil Palm Plantations	11,109	8,763	10,100	8,804
Beverage	230	219	208	209
Real Estate	18	19	20	24
Hotels	258	252	245	229
Airlines	8	8	8	8
Management Services	40	40	40	41
	11,672	9,308	10,626	9,319
Employees by Geographical Location				
Sri Lanka	671	636	601	575
Malaysia	136	146	156	153
Indonesia	10,865	8,526	9,869	8,591
	11,672	9,308	10,626	9,319

There were no employees in Bukit Darah PLC during the year.

21 INCOME TAX EXPENSES

(a) Income Statement

(i) Current tax				
Charge for the year (Note 21 g)	2,287,265	1,444,690	290	318
Adjustment in respect of prior year	-	(147)	-	-
Economic service charge write-off	-	7,544	-	-
	2,287,265	1,452,087	290	318
(ii) Deferred Tax				
Origination/(reversal) of temporary differences in the current year	557,842	208,140	-	-
	557,842	208,140	-	-
Total Income Tax Expense	2,845,107	1,660,227	290	318

Income tax expenses may be analyzed as follows:

Current Tax				
Sri Lanka	639,694	75,215	290	318
Overseas	1,647,571	1,376,872	-	-
	2,287,265	1,452,087	290	318
Deferred Tax				
Sri Lanka	55,602	(13,416)	-	-
Overseas	502,240	221,556	-	-
	557,842	208,140	-	-
Total				
Sri Lanka	695,296	61,652	290	318
Overseas	2,149,811	1,598,575	-	-
	2,845,107	1,660,227	290	318
b) Income tax recognised directly in equity				
Impact on revaluation of property	5,840	181	-	-
	5,840	181	-	-

(Amounts expressed in Sri Lankan Rs.'000)

For the year ended	Income Statement		Group Balance Sheet	
	31st March 2011	31st March 2010	31st March 2011	31st March 2010
(c) Deferred Tax Assets - Charge for the year				
Capital allowances in excess of depreciation	864	(8)	274	8
Provision	(450)	(1,622)	1,850	1,638
Provision for retirement benefit obligation	(18,239)	75,908	61,800	41,110
Unabsorbed tax losses carried forward	344,863	(53,316)	332,939	515,057
	327,038	20,962	396,863	557,813
(d) Deferred Tax Liabilities - Charge for the year				
Property plant & equipment	107,449	4,866	832,572	781,048
Investment in property	(26,135)	969	108,307	88,965
Mature/Immature plantation	134,641	171,951	677,962	495,393
Intangible assets	9,096	376	11,546	960
Finance leases	5,753	9,016	74,959	79,431
	230,804	187,178	1,705,346	1,445,797
Net deferred tax charge/(reversal) for the year	557,842	208,140	(1,308,483)	(887,984)

- (e) Deferred income tax assets and liabilities are offset when there is a legally enforceable right to off-set current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The off-set amounts are as follows:

	Sri Lanka		Malaysia		Indonesia		Total	
	2011	2010	2011	2010	2011	2010	2011	2010
Deferred tax assets:	1,301	4,295	2,577	3,803	393,063	549,715	396,941	557,813
Deferred tax liabilities:	(582,980)	(557,886)	(68,772)	(70,117)	(1,053,594)	(817,794)	(1,705,346)	(1,445,797)
	(581,679)	(553,591)	(66,195)	(66,314)	(660,531)	(268,079)	(1,308,405)	(887,984)

- (f) The gross movement on the deferred income tax account is as follows:

For the year ended	Group	
	31st March 2011	31st March 2010
Balance at the beginning of the year	(887,984)	(658,651)
On consolidation	(77,575)	
Charge for the year	(557,842)	(208,140)
Impact of exchange rate changes on conversion	61,885	(21,193)
Balance at the end of the year	(1,461,516)	(887,984)

Deferred taxation has been computed using future effective tax rates.

Impact due to change in corporate tax rate in Sri Lanka

As provided for in SLAS 14 - income taxes, deferred tax assets and liabilities should be measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date.

Accordingly following new income tax rates have been used;

Hotels Sector	12% (Previously 15%)
Breweries Sector	40% (Previously 35%)
Other Sectors	28% (Previously 35%)

(Amounts expressed in Sri Lankan Rs.'000)

For the year ended	Group		Company	
	31st March 2011	31st March 2010	31st March 2011	31st March 2010
(g) Reconciliation of Accounting Profit with Taxable Profit				
Profit before taxation	13,000,716	8,267,477	3,677,100	133,808
Revaluation gains	(1,702,410)	-	-	-
Dividends	(115,540)	(318,143)	(129,224)	(68,491)
Exempt profits	(403,051)	(2,213,641)	(3,565,796)	(69,034)
Aggregate tax allowed claims	(2,215,002)	(720,645)	-	-
Aggregate tax disallowed expenses	1,226,641	1,175,485	18,038	5,094
(Reversal)/provision for impairment of business assets	(2,888)	(971,059)	1,092	-
Operational losses incurred during the year	(450,391)	(266,614)	-	-
Tax adjusted profits	9338,075	4,952,860	1,210	1,377
Inter-company transactions liable to tax	444,522	151,063	-	-
Share of associate companies' profit	-	740	-	-
Tax losses utilized during the year	(1,380,880)	(531,176)	-	(482)
Taxable income of the Group/Company	8,401,717	4,573,487	1,210	895

For the year ended	Group		Company	
	31st March 2011	31st March 2010	31st March 2011	31st March 2010
Taxation on Profits (including adjustment in respect of prior years)				
Taxation in Sri Lanka				
Tax charge at				
15% [Note 21 (m) (vi) & (vii)]	8,487	1,798	-	-
35% [Note 21 (i) (i)]	620,964	63,958	285	313
Social Responsibility Levy [Note 17 (i) (iii)]	9,928	1,768	4	5
Overseas taxation [Note 21 (l) (ii)]	1,647,571	1,377,019	-	-
ESC (write-back)/write-off [Note 21 (m) (viii)]	315	7,544	-	-
	2,287,265	1,452,087	289	318

Group tax expenses is based on the taxable profit of individual companies within the group. At present the tax laws of Sri Lanka do not provide for group taxation.

For the year ended	Group		Company	
	31st March 2011	31st March 2010	31st March 2011	31st March 2010
(h) Analysis of Tax Losses				
Tax losses brought forward	3,688,067	3,375,774	11,530	12,006
Adjustment on losses brought forward	376,104	576,855	(14)	6
Tax losses incurred during the year	450,391	266,614	-	-
Utilization of tax losses during the year	(1,380,880)	(531,176)	(438)	(482)
Tax losses carried forward	3,133,682	3,688,067	11,078	11,530

Utilization of tax losses in the current year has resulted in a tax saving of Rs.151.12million (2009-Rs.7.05million) for the group.

In Sri Lanka the utilization of current year and brought forward losses is restricted to 35% of Statutory Income. Unabsorbed tax losses can be carried forward indefinitely. Tax legislation that governs overseas operations does not restrict the utilization of tax losses.

(i) Unrecognized deferred Tax assets

The Company Subsidiary Carson Cumberbatch PLC has carried forward tax losses of Rs.1,366 million (2010: Rs.1,287 million) as at Balance Sheet date. The deferred tax asset of Rs.382 million arising from the said tax losses has not been recognized due to uncertainty of future taxable profits against which the deferred tax assets would be utilized. given that the Company's only source of income being dividend income which is tax exempt.

(ii) Recognized deferred Tax assets

The recognition of deferred tax assets by the Group are dependent upon future taxable income in excess of income arising from the reversal of existing taxable temporary differences. Deferred tax assets relating to tax losses carry forward have been re-assessed and the management believes that sufficient taxable profit will be available to allow the benefit to be utilized. Accordingly, the Group recognized the following deferred tax assets relating to the tax losses carry forward.

(Amounts expressed in Sri Lankan Rs.'000)

- (i) Pegasus Hotels of Ceylon PLC - Rs. 0.25 mn (2010 - 4.29 mn)
- (ii) Karya Makmur Sejahtera - Rs. 106.78 mn (2010 - 74.78 mn)
- (iii) PT Agro Bukit - Rs. 44.54 mn
- (iv) PT Rim Capital - Rs. 97.23 mn
- (v) PT Nabire Baru - Rs. 2.2 mn
- (vi) PT Agrajaya Baktiama - Rs. 7.9 mn
- (vii) PT Agro Wana Lestari - Rs. 74 mn

(j) Unrecognized temporary differences relating to investments in subsidiaries and associates

Temporary differences associated with investments in subsidiaries and associates for which a deferred tax liability has been not recognised. The deferred tax effect on undistributed reserve of subsidiaries has not been recognised since the parent can control the timing of the reversal of these temporary differences. The deferred tax liability on temporary differences relating to undistributed profit of associates has not been recognised as there is no current intention of distributing retained earnings to the holding company.

(k) Taxation of Profits

(i) Income Tax in Sri Lanka

In accordance with provisions of the Inland Revenue Act No. 10 of 2006 and amendments thereto, the Company and all other companies of the Group other than those entities disclosed in Note (j) operating in Sri Lanka, are chargeable to income tax at 35% (2010-35%).

A source of profit that amounts to a capital gain for purpose of tax is not liable to income tax in Sri Lanka and Malaysia. These profits are however subject to tax in Indonesia.

In Sri Lanka dividend income from a local corporate which is subject to dividend tax & foreign dividend income are not liable to income tax.

(ii) Income Tax on Overseas Operations

Profits of subsidiary companies operating in Malaysia are liable to income tax at 25% (2010 - 25%).

Profits of subsidiary companies operating in Indonesia are liable to income tax at 28% (2010 - 28%).

Profits of subsidiary companies operating in Singapore are liable to income tax at 17% (2010 - 17%).

(iii) Social Responsibility Levy

All companies operating in Sri Lanka are required to pay 1.5% of income tax as a Social Responsibility Levy (2010-1.5%).

(l) Tax Exemptions and Concessions

(i) In terms of an agreement entered into with the Board of Investment, the business profits of Lion Brewery Ceylon PLC are exempt from income tax for a period of 12 years. The tax holiday expired during the financial year.

(ii) The business profits & income of Agro Harapan Lestari (Pvt) Ltd, are exempt from income tax for a period of 3 years from the year of assessment 2008/2009 in terms of an agreement entered into with the Board of Investment of Sri Lanka. The said tax holiday expired with effect from 31st March 2011.

(iii) In terms of section 13ddd of the Inland Revenue Act, profits & income earned in foreign currency, from services rendered being services rendered in the course of management of plantation companies situated outside Sri Lanka is exempt from income tax.

(iv) In terms of Section 13 (t) of the Inland Revenue Act, profits derived on the sale of shares on which share transaction levy has been paid is exempt from income tax.

(v) Profits from the agriculture undertaking carried on in Malaysia is liable to tax at 15% in terms of Section 46 of the Inland Revenue Act.

(vi) In terms of Section 46 of the Inland Revenue Act, operational profits of a hotel are subject to income tax at 15%.

(vii) Other miscellaneous concessions

Exemption on interest income earned from foreign currency denominated accounts. Income / profits from offshore dividend and interest is exempt from income tax. Gain from sale of shares held for more than two years is excluded from chargeability to income tax.

(viii) Economic Service Charge

Economic Service Charge paid by companies is available as income tax credit. In instances where recoverability is not possible due to the tax status, sums paid are written off to the Income Statement.

(Amounts expressed in Sri Lankan Rs.'000)

(m) Double Tax Relief

In terms of the double tax treaty agreement entered into between Governments of Sri Lanka and Malaysia, the companies incorporated in Sri Lanka & which are operating in Malaysia are entitled to claim credits for tax paid in Malaysia, when calculating the such companies tax liability in Sri Lanka on profits from plantation in Malaysia.

22 EARNINGS PER ORDINARY SHARE

The Group's earnings per ordinary share of Rs.31.78 (2010-Rs.28.35) and Company's earnings per ordinary share of Rs.0.96 (2010-Rs.1.20 are calculated by dividing the profit/(loss) attributable to the ordinary shareholders of Bukit Darah PLC net of non-recurrent gains/losses and after deducting the preference dividend by the weighted average number of ordinary shares in issue during the year.

The impact of non-recurrent transactions of the Company/Group on the calculation of EPS is eliminated on the basis that inclusion of same way misinform the shareholders. However, the amounts so eliminated are disclosed separately for the information of the shareholders.

The amounts used in calculating the earnings per share are as follows:

For the year ended	Group		Company	
	31st March 2011	31st March 2010	31st March 2011	31st March 2010
Amount used as the Numerator				
Profit for the year	10,155,609	6,607,250	3,676,810	133,490
Dividend on preference shares	(13,040)	(10,785)	(13,040)	(10,785)
Gain on disposal of non current investments	-	-	(3,565,695)	-
Non controlling interest	(6,901,344)	(3,704,604)	-	-
Net Profit attributable to ordinary shareholders	3,241,225	2,891,861	98,075	122,705
Number of ordinary shares used as the Denominator				
Ordinary shares in issue	102,000,000	102,000,000	102,000,000	102,000,000
Earnings per ordinary share Rs.	31.78	28.35	0.96	1.20
23 DIVIDEND PER SHARE				
	Total dividend		Dividend per share	
	2011	2010	2011 Rs.	2010 Rs.
On ordinary shares				
First Interim for 2011	90,000	25,000	9.00	2.50
Second Interim	-	50,000	-	5.00
	90,000	75,000	9.00	7.50
On Preference shares				
Annual Dividend	145	144	-	0.14
First Interim for 2011	12,895	3,517	71.50	19.50
Second Interim	-	7,124	-	39.50
	13,040	10,785	71.50	59.14
Total	103,040	85,785		

(Amounts expressed in Sri Lankan Rs.'000)

24 PROPERTY, PLANT & EQUIPMENT - GROUP

	Freehold Land & Buildings	Leasehold Land & Buildings	Mature, Immature Plantations	Plant & Machinery	Motor Vehicles	Equipment, Furniture & Fittings	Computers	Capital Work - In Progress	Total
(a) Cost/Valuation									
As at 1st April 2010	6,736,301	6,320,351	11,227,660	5,409,859	1,222,585	516,486	295,625	3,027,663	34,756,530
On consolidation	-	1,488,234	2,830,999	118,236	139,914	9,208	4,339	382,630	4,973,560
Revaluation	808,224	-	-	-	-	-	-	-	808,224
Additions	28,658	487,839	1,129,329	118,509	171,166	111,094	63,519	2,493,120	4,603,234
Adjustment	47,215	1,710,587	-	1,974,537	8,303	78,614	24,485	(3,853,820)	(10,079)
Disposals/written-off	(863)	(218,167)	(9,141)	(142,468)	(136,077)	(11,841)	(6,505)	(19,298)	(544,360)
Exchange translation difference	262,438	119,736	181,705	49,658	18,112	7,558	2,825	20,329	662,361
As at 31st March 2011	7,881,973	9,908,580	15,360,552	7,528,331	1,424,003	711,119	384,288	2,050,624	45,249,470
Depreciation/Amortization									
As at 1st April 2010	111,735	587,741	1,446,022	2,372,707	651,130	224,367	213,943	-	5,607,645
On consolidation	-	10,250	-	12,045	27,829	1,899	815	-	52,838
Charge for the year	24,886	269,111	28,958	525,528	249,889	84,167	62,901	-	1,245,440
Revaluation	(66,377)	-	-	-	-	-	-	-	(66,377)
Transfers/adjustments	-	-	-	(2,532)	2,768	(2,288)	1,289	-	(763)
On disposal/written off	(97)	(3,288)	-	(51,485)	(71,926)	(10,614)	(5,992)	-	(143,402)
Exchange translation difference	1,882	11,288	(43,923)	23,800	10,718	3,241	1,964	-	8,970
As at 31st March 2011	72,029	875,102	1,431,057	2,880,063	870,408	300,772	274,920	-	6,704,351
Net Book Value									
As at 31st March 2011	7,809,944	9,033,478	13,929,495	4,648,268	553,595	410,347	109,368	2,050,624	38,545,119

(Amounts expressed in Sri Lankan Rs.'000)

	Freehold Land & Buildings	Leasehold Land & Buildings	Mature, Immature Plantations	Plant & Machinery	Motor Vehicles	Equipment, Furniture & Fittings	Computers	Capital Work - In Progress	Total
(b) Cost/Valuation									
As at 1st April 2009	6,369,283	4,198,583	7,509,040	4,630,484	717,443	278,629	222,348	1,284,133	25,209,943
Revaluation	-	-	-	-	-	-	-	-	-
Additions	2,491	457,735	1,454,667	80,449	373,509	152,692	42,829	2,102,285	4,666,657
Adjustment	-	-	-	(978)	-	-	(396)	(3,494)	(4,868)
Transferred to Capital Work in Progress	-	586,027	-	119,557	278	264	10,670	(716,796)	-
Disposals/written-off	-	(36,170)	-	(22,074)	(23,607)	(8,157)	(8,919)	-	(98,927)
Impairment	-	-	-	-	-	-	-	-	-
Exchange translation difference	364,527	1,114,176	2,263,953	602,421	154,962	93,058	29,093	361,535	4,983,725
As at 31st March 2010	6,736,301	6,320,351	11,227,660	5,409,859	1,222,585	516,486	295,625	3,027,663	34,756,530
Depreciation/Amortization									
As at 1st April 2009	80,343	328,124	939,589	1,760,893	355,112	124,135	156,952	-	3,745,148
Charge for the year	28,872	186,992	348,337	398,423	233,955	75,673	48,241	-	1,320,493
Transfers/adjustments	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-
On disposal/ written off	-	(19,663)	-	(17,947)	(15,598)	(5,915)	(8,602)	-	(67,725)
Impairment	-	-	-	-	-	-	-	-	-
Exchange translation difference	2,520	92,288	158,096	231,338	77,661	30,474	17,352	-	609,729
As at 31st March 2010	111,735	587,741	1,446,022	2,372,707	651,130	224,367	213,943	-	5,607,645
Net Book Value									
As at 31st March 2010	6,624,566	5,732,610	9,781,638	3,037,152	571,455	292,119	81,682	3,027,663	29,148,885

(Amounts expressed in Sri Lankan Rs.'000)

(c) Details of Group Lands Stated at Valuation are Indicated below:

Property	Method of Valuation	Effective Date of Valuation	Valuer	Land Extent (in Acres)	Carrying Value of Revalued Assets as at 31st March 2011 If carried at Historical Cost	Carrying Value of Revalued Assets as at 31st March 2011
Pegasus Hotels of Ceylon PLC Wattala, Sri Lanka	Market/income Approach	31.03.2011	Mr. K. Arthur Perera, A.M.I.V.(Sri Lanka) Valuer & Consultant	10.32	3,660	504,333
Ceylon Brewery PLC Nuwara Eliya, Sri Lanka	Market/income Approach	31.03.2011	Mr. K. Arthur Perera, A.M.I.V.(Sri Lanka) Valuer & Consultant	15.55	141	112,464
Lion Brewery (Ceylon) PLC Biyagama, Sri Lanka	Market/income Approach	31.03.2011	Mr. K. Arthur Perera, A.M.I.V.(Sri Lanka) Valuer & Consultant	17.63	338,259	907,865
Equity Two PLC Colombo 1, Sri Lanka	Market/income Approach	31.03.2011	Mr. K. Arthur Perera, A.M.I.V.(Sri Lanka) Valuer & Consultant	0.53	422,000	344,240
Selinsing PLC Malaysia	Agricultural Value	31.03.2011	Encik W.M. Malik, Member of the Institution of Surveyors, Malaysia, a partner with W.M. Malik & Kamaruzuman.	1,217.84	11,730	1,409,045
Indo-Malay PLC Malaysia	Agricultural Value	31.03.2011	Kamaruzuman, Chartered Surveyors & Valuers of Malaysia	725.30	600	1,049,215
Good Hope PLC Malaysia	Agricultural Value	31.03.2011	Encik W.M. Malik, Member of the Institution of Surveyors, Malaysia, a partner with W.M. Malik & Kamaruzuman.	780.68	581	948,360
Shalimar (Malay) PLC Malaysia	Agricultural Value	31.03.2011	Encik W.M. Malik, Member of the Institution of Surveyors, Malaysia, a partner with W.M. Malik & Kamaruzuman.	757.28	222	1,338,395
				3,525.13	777,193	6,613,917

(Amounts expressed in Sri Lankan Rs.'000)

As at	Group	
	31st March 2011	31st March 2010
(d) Carrying Value of Property, Plant & Equipment		
At cost	31,846,226	23,491,601
At valuation	6,613,917	5,545,030
On finance lease	84,976	112,254
	38,545,119	29,148,885
(e) Land and buildings		
At cost	10,229,504	3,821,138
At valuation	6,613,917	5,545,030
	16,843,421	9,366,168
(e) Capital work-in-progress consists of		
Land Improvements	-	386,336
Buildings	305,770	98,915
Plant & Machinery	1,427,468	2,027,382
Others	317,386	515,030
	2,050,624	3,027,663

(f) Finance Leases

Property, plant & equipment include capitalized finance leases. The carrying value of these assets are as follows:

	Motor Vehicles		Heavy Equipment		Total	
	2011	2010	2011	2010	2011	2010
Cost	70,285	70,302	69,153	114,080	139,438	184,382
Accumulated depreciation	(36,245)	(38,378)	(18,217)	(33,750)	(54,462)	(72,128)
	34,040	31,924	50,936	80,330	84,976	112,254

Leased assets are pledged as security for the related finance lease liabilities.

g) Revaluation of Freehold Land in Malaysia

The freehold land of the Malaysian subsidiaries, Shalimar (Malay) PLC, Good Hope PLC, Selinsing PLC and Indo-Malay PLC have been revalued on 31st March 2009 based on an existing use basis by an independent valuer, Encik W.M. Malik, a member of the institute of Surveyors, Malaysia and a partner with W.M. Malik & Kamararuzaman. The company has obtained a confirmation of the value of freehold land as at 31st March 2011 from the same valuer, and the carrying value approximates its fair value. The total surplus over the book value has been credited to the Capital Accretion Reserve. The combined fair value amounts to Rs.4,659 million or equivalent to US \$ 42,203,179/-.

(h) Indonesian Property Valuation

Property, plant & equipment excluding mature and immature plantation

Based on the reports dated 14 April 2011 and 9 April 2010 issued by KJPP Rengganis, Hamid & Partners, an Indonesian independent valuer (formerly PT Heburinas Nusantara, an Indonesian independent professional valuer associated with CB Richard Ellis), the combined appraised values of property, plant and equipment of PT Agro Indomas, PT Agro Bukit, PT Karya Makmur Sejahtera, PT Rim Capital, PT Agro Wana Lestari and PT Agra Jaya Baktitama as of 31 March 2011 were Rs 18,165 million equivalent to US\$164,539,212. (2010: the combined appraised values of property, plant and equipment of PT Agro Indomas and PT Karya Makmur Sejahtera were Rs 8,920 million equivalent to US\$78,247,000). These values have not been incorporated in the carrying value of property plant and equipment.

Mature & Immature Plantation

The fair value of Mature & Immature Plantation of Indonesian Palm Oil Plantation amounting to Rs.22,224 mn (US \$ 201.31 mn) 2010- Rs.10,282 mn (US \$ 90.19 mn) was determined by KJPP Rengganis, Hamid & Partners a local independent valuer (formerly PT Heburinas Nusantara a local independent professional valuer associated with CB Richard Ellis) in its reports dated 14th April, 2011 and 6th April, 2009. The valuations of the Mature & Immature Plantation assets were performed in accordance with Indonesian Valuation Standards ("Standards Penilaian Indonesia/SPI") which are based on the International Valuation Standards. The valuations were based on the following significant assumption:

(Amounts expressed in Sri Lankan Rs.'000)

i) (a) Projected economic production life of palm oil plants is 22 years after maturity.

(b) Discount rate per annum of 13.53% in 2011 (2010: 15.44%).

(C) FFB Selling price for the first year is Rs.17,760/- (Rp1,401,000 per Ton) (2010: FFB selling price for the first year is Rs.14,625/- (Rp1,170,000 per Ton).

(i) Biological Valuation of Indonesian Plantations.

The Indonesian Palm Oil plantation companies of the group account for the biological assets owned by them at fair value less estimated point of sale cost in accordance with IAS 41 "Agriculture" being the applicable accounting treatment in Indonesia based on valuations conducted by independent professional valuers.

However, since Sri Lanka is yet to adopt IAS 41 the applicable Sri Lanka Accounting Standard would be SLAS - 32 plantations which does not recognize adoption of fair value concept for Oil Palm plantations. Consequently, the Company has reversed fair value gain on the oil palm plantation assets effective from the previous financial year and report under property, plant and equipment and capitalize the cost in accordance with SLAS 32 – Plantations.

Had the Company continued to apply the previous accounting policy, by measuring the Indonesian plantation at fair value less estimated point of sale cost in accordance with IAS 41, "Agriculture", the value of the said Plantation and the gain on fair value of the same would have been as follows:

	2011		2010	
	Current Policy (cost method) Rs.'000	Previous Policy (fair value method) Rs.'000	Current Policy (cost method) Rs.'000	Previous Policy (fair value method) Rs.'000
(i) Value of Indonesian Plantation as at 31st March	14,247,982	22,911,201	10,237,926	10,282,458
(ii) Gain in fair value included in the Income Statement during the year	-	1,762,122	-	1,530,244
(iii) Cumulative gain in fair value	-	5,889,481	-	4,229,628

(j) Capitalization of borrowing costs

The Group's property, plant and equipment includes borrowing costs arising from bank term loans borrowed specifically for their development. During the financial year, the borrowing costs capitalized as cost of plant and property, plant & equipment amounted to approximately Rs.127.58 mn (2010: Rs.62.45 mn).

(k) Assets pledged as security

Indonesian Assets

Property, plant and equipment of PT Agro Indomas, PT Agro Bukit and PT Karya Makmur Sejahtera, except for assets under finance leases have been pledged as security for the bank borrowings with Standard Chartered Bank.

Malaysian Properties

Malaysian properties of Indo-Malay PLC and Selinsing PLC have been pledged as security for the bank borrowings with Standard Chartered Bank. In addition, the Group's obligations under finance leases (see note 39 f) are secured by the lessors' title to the leased assets, which have a carrying amount of Rs.84.97 mn. (2010: Rs.75.68 mn)

(l) Land acquisition - Company's subsidiary Pegasus Hotels of Ceylon (PRH)

During the financial year 2008/09, the Government acquired approximately 1,605 perches of the land owned by PRH, out of which 353.89 perches of land was subject Supreme Court order as explained in Note 10 to the financial statement. The market value of the said net land extent (1,251 perches) as at the date of acquisition amounting to Rs.187,800,000/ has been removed from the value of the freehold land classified under the property, plant, and equipment in the balance sheet of PRH. The removal of the said land has been accounted for as a disposal of an asset in the financial statements.

PRH filed a fundamental rights application in the Supreme Court regarding the acquisition of approximately 353.89 perches of land (described as Mangrove) owned by PRH. As per the Supreme Court ruling dated 20th November 2008, the said land is to be returned to the Company on the completion of the construction work of the Fisheries Harbour project. On 15th March 2011, the Sri Lanka Navy has approached the Fisheries Harbour Corporation through which they have requested for a portion of 80 perches from and out of the said 353.89 perches in order to establish a coast guard unit. PRH is expected to regain title to the balance 273.89 perches and make an additional claim for compensation for the said 80 perches, after referring the said request to the Supreme Court. Until determination of the aforesaid legal steps, the entire land extent in question will continue to be accounted in the Balance Sheet of PRH under Property, Plant & Equipment at the market value.

Accordingly the market value of the said land amounting to Rs.52,950,000/ (2010 Rs.7,060,000/-) as at the balance sheet date has not been removed from the Property, Plant and Equipment.

(Amounts expressed in Sri Lankan Rs.'000)

	2011	2010
25 PREPAID LEASE PAYMENT FOR LAND		
Cost/Valuation		
Balance as at the beginning of the year	674,669	462,132
On consolidation	782,510	-
Additions	306,872	90,591
Transfers /Adjustment	(50,366)	
Exchange translation difference	28,625	121,946
Balance as at end of the year	1,742,310	674,669
Accumulated amortization		
Balance as at the beginning of the year	56,030	31,102
On consolidation	6,977	
Amortization	49,951	16,077
Transfers /Adjustment	(3,358)	
Exchange translation difference	1,496	8,851
Balance as at end of the year	111,096	56,030
Balance as at the end of the year	1,631,214	618,639

(a) Details of prepaid Lease payment for land

The Company's subsidiary PT Agro Indomas land rights in the form of "Hak Guna Usaha" (HGU) will expire in the following years.

Property	Land Extent (in Ha)	Amount 2011 Expiration	2010	Year of	Location
*PT Agro Indomas	12,104	355,081	343,097	2028	Kotawaringin Timur
	3,760			2033	Kotawaringin Timur
	15,864	355,081	343,097		

PT Agro Bukit and PT Karya Makmur sejahtera are still in the process of obtaining land right certificates.

* Management believes that the existing land rights will be renewed by the Government of Indonesia upon expiration because under the laws of Indonesia the land rights can be renewed upon the request of the HGU holder (subject to the Government of Indonesia approval).

Company subsidiaries PT Agro Bukit, PT Nabire Baru, PT Agro Wana lastari and PT Rim Capital are still in the process of obtaining land right certificates (HGU).

Amortization of Prepaid lease payment for land capitalized to Property plant equipment amounted to Rs.10.59 million (2010: Rs.9.41mn).

Prepaid land rights with cost and accumulated amortization amounted to Rs.50mn and Rs.3mn respectively, has been reclassified to other advances and prepayments - third parties account (Note 10) since the land rights represent the area which

	Group			
	As at Land Freehold	As at Building Freehold	31st March 2011	31st March 2010
26 INVESTMENT PROPERTY - GROUP				
(a) Investment Properties of the Group comprise of;				
Equity One PLC.	933,005	185,974	1,118,979	1,096,200
Equity Three (Private) Limited	172,473	65,527	238,000	230,531
	1,105,478	251,501	1,356,979	1,326,731

(Amounts expressed in Sri Lankan Rs.'000)

	Freehold Land		Freehold Building		Total	Total
	2011	2010	2011	2010	31st March 2011	31st March 2010
(b) Movements of Investment Properties						
Balance as at the beginning of the year	1,048,360	1,213,360	278,371	278,102	1,326,731	1,491,462
Additions during the year	-	-	-	531	-	531
Disposal during the year	-	-	-	-	-	-
Gain on fair value adjustment	57,118	2,738	(26,870)	-	30,248	2,738
Transfer to assets held for sale	-	(167,738)	-	(262)	-	(168,000)
	1,105,478	1,048,360	251,501	278,371	1,356,979	1,326,731
(c) Change in fair value of investment properties						
Equity One PLC.	48,905	-	(26,126)	-	22,779	-
Equity Three (Private) Limited	8,213	-	(744)	-	7,469	-
Selinsing PLC	-	2,738	-	-	-	2,738
	57,118	2,738	(26,870)	-	30,248	2,738

(d) Valuation of investment property

Investment properties were stated based on a valuation performed by Mr K. Arthur perera, A.M.I.V (Sri Lanka), an independent professional valuer as at 31st March 2011.

(e) Properties pledged as security

Certain investment properties amounting to Rs.1,118 mn (2010 -1,096 mn.) are mortgaged to secure bank loans (Note37b)

(f) Details of Investment Properties - Group

Name of building/location	Tenure Description of land	Extent (in Acres)	Net lettable area sq.ft.	Fair Value 31st March 2011	Historical Cost 2011	Effective Date of Valuation
Equity One PLC. Dharmapala Mw., Colombo 7	Freehold Office space	0.60	44,163	657,000	96,651	31-Mar-11
Equity One PLC. Vauxhall Lane, Colombo 2	Freehold Warehouse complex	1.36	32,353	461,979	229,201	31-Mar-11
Equity Three (Private) Limited George R. De Silva Mw., Colombo 13	Freehold Office space	0.51	33,400	238,000	76,153	31-Mar-11
		2.47	109,916	1,356,979	402,005	

The method of valuation is market approach.

(Amounts expressed in Sri Lankan Rs.'000)

	2011	Goodwill 2010	Computer Software 2011	2010	Excise License 2011	2010	Total 2011	2010
27 INTANGIBLE ASSETS								
Cost/Valuation								
Balance as at the beginning of the year	524,443	539,461	397,132	216,623	22,098	20,060	943,673	776,144
On consolidation			587				587	-
Additions/(Reversals)	-	(15,018)	127,493	152,974	3,862	2,038	131,355	139,994
Written-off-Software Development Cost			(78,241)				(78,241)	-
Transfers /Adjustment	(46,876)	-	(14,797)	344	-	-	(61,673)	344
Impairment	-	-	-	-	-	-	-	-
Exchange translation difference	-	-	3,250	27,191	-	-	3,250	27,191
	477,567	524,443	435,424	397,132	25,960	22,098	938,951	943,673
Accumulated Amortization								
Balance as at the beginning of the year	-	-	122,930	87,065	3,124	1,555	126,054	88,620
On consolidation			90	-				-
Amortization	-	-	45,114	27,708	2,607	1,569	47,721	29,277
Transfers /Adjustment	-	-	(42,488)	-	-	-	(42,488)	-
Exchange translation difference	-	-	450	8,157	-	-	450	8,157
	-	-	126,096	122,930	5,731	3,124	131,737	126,054
Net Balance as at the end of the year	477,567	524,443	309,328	274,202	20,229	18,974	807,214	817,619

(a) Goodwill

Goodwill is allocated to cash generating units (CGU) identified according to its business segment. When testing for impairment for goodwill, the recoverable amount of a cash generating unit is determined on the basis of value-in-use calculations. These calculations use cash flow projections based on financial budgets, which are approved by management, typically covering a five-year period. Cash flows beyond the five year period are extrapolated using the estimated growth rates. The cash flows were discounted at an appropriate pre-tax discount rate equivalent to the average treasury bond rate.

As from 1st April 2006, goodwill is no longer amortized but tested for impairment annually. Goodwill acquired through Business Combinations have been allocated to 4 cash generating units (CGU's) for impairment testing as follows:

Refer Note 48 relating to the restatement of Goodwill.

	2011	2010
Investment holdings	182,740	182,740
Beverage	267,243	267,243
Real Estate	27,584	74,460
	477,567	524,443

(b) Computer Software

Software with a finite life is amortized over a period of expected economic benefit.

Break up software as follows

	2011	2010
Purchased software	86,084	77,303
Software licenses	223,244	196,899
	309,328	274,202

(Amounts expressed in Sri Lankan Rs.'000)

As at 31st March		2011	Group 2011 Market Value	2010	2010 Market Value	Company 2011	2010
	Note	Cost		Cost		Cost	Cost
28	LONG-TERM INVESTMENTS						
	Investment Portfolio						
	Summary						
A.	Investments in						
	Subsidiary Companies						
	Quoted	28 (a) (i)	-	-	-	700,855	653,881
	Unquoted	28 (a) (ii)	-	-	-	5,493,837	738,176
	Total-Investments in subsidiary Companies		-	-	-	6,194,692	1,392,057
B.	Investments in Associate Companies						
	Unquoted	28 (b)	-	-	2,449	1,869	-
	Total-Investments in Associate Companies		-	-	2,449	1,869	-
C.	Long-Term investments						
	Quoted	29 (a)	2,911,986	10,250,380	2,637,639	6,119,488	-
	Unquoted	29 (b)	3,291,892	3,291,892	1,853,549	1,853,549	-
	Total		6,203,878	13,542,272	4,491,188	7,973,037	-

Market value of these subsidiary companies investments were Rs.71,795 mn (2010 - Rs.26,183 mn) and Rs.16,930 mn (2010 - Rs.7,931 mn) for the Group and Company respectively.

Directors' valuation of unquoted investments amounted to Rs.16,962 mn (2010 - Rs.6,950 mn) and Rs. 4,326 mn (2010 - Rs.4,333 mn) for the Group and Company respectively.

(a) Investment in Subsidiaries

	No. of Shares as at 31st March 2011	Group		No. of Shares as at 31st March 2011	Company	
		Cost as at 31st March 2011	Cost as at 31st March 2010		Cost Valuation at 31st March 2011	Cost Valuation at 31st March 2010
(i) Quoted Investments						
Investments in Ordinary Shares						
Carson Cumberbatch PLC	91,130,510	588,563	588,563	91,130,510	588,563	588,563
Equity One PLC	38,818,252	1,026,274	1,026,274	-	-	-
Equity Two PLC	27,532,935	448,839	448,839	-	-	-
Pegasus Hotels of Ceylon PLC	25,369,210	322,140	322,140	-	-	-
Selinsing PLC	6,056,717	49,687	30,512	-	-	-
Good Hope PLC	6,143,342	79,649	12,258	-	-	-
Indo-Malay PLC	5,406,230	76,831	63,375	-	-	-
Shalimar (Malay) PLC	6,404,628	40,468	40,468	-	-	-
Ceylon Guardian Investment Trust PLC	60,871,111	591,113	591,113	-	-	-
Ceylon Investment PLC	63,407,519	444,538	444,538	-	-	-
Guardian Capital Partners PLC	22,275,025	10,121	10,121	-	-	-
Ceylon Brewery PLC	15,726,922	713,414	713,415	-	-	-
Lion Brewery (Ceylon) PLC	45,411,588	1,538,648	1,326,269	1,300,000	112,292	65,318
Total investment in Subsidiaries - quoted		5,930,285	5,617,885		700,855	653,881

(Amounts expressed in Sri Lankan Rs.'000)

	Group			Company		
	No. of Shares as at 31st March 2011	Cost as at 31st March 2011	Cost as at 31st March 2010	No. of Shares as at 31st March 2011	Cost Valuation at 31st March 2011	Cost Valuation at 31st March 2010
(ii) Unquoted Investment						
Goodhope Asia Holding Ltd.	91,595,108	9,650,509	4,156,672	36,638,043	5,493,837	-
PT Agro Bukit	23,591,472	4,785,831	826,707	-	-	642,561
Shalimar Developments Sdn. Bhd.	3,942,169	2,652,588	824,959	-	-	95,615
PT Agro Indomas	41,087	1,713,106	542,805	-	-	-
PT Karya Makmur Sejahtera	19,000	1,127,370	1,127,357	-	-	-
PT Agro Asia Pacific	1,500	15,313	15,313	-	-	-
Agro Asia Pacific Limited	249,999	20,296	20,296	-	-	-
PT Agro Wana Lestari	23,750	226,522	-	-	-	-
PT Rim Capital	8,792,470	1,293,075	-	-	-	-
PT Nabire baru	11,875	148,983	-	-	-	-
PT Agrajaya Baktitama	23,750	292,135	-	-	-	-
Rubber Investment Trust Limited	7,905,000	593	593	-	-	-
Carsons Airline Services (Private) Limited	-	-	-	-	-	-
CBL Retailers (Private) Ltd.	399,999	-	3,999	-	-	-
Carsons Management Services (Private) Limited	1,200,000	12,000	12,000	-	-	-
PT Agro Harapan Lestari	-	-	-	-	-	-
Agro Harapan Lestari Sdn Bhd	16,334,138	-	163,341	-	-	-
Agro Harapan Lestari (Private) Limited	250,000	117,664	16,478	-	-	-
AHL Business Solution (Private) Limited	280,000	75,857	5,724	-	-	-
Guardian Fund Management Limited	2,689,901	26,865	26,865	-	-	-
Equity Hotels Ltd.	750,000	7,488	7,488	-	-	-
Leechman & Company (Private) Limited	1,045,015	10,450	10,450	-	-	-
Mylands Investments Limited	685,368	6,710	6,710	-	-	-
Weniwella Investments Limited	-	-	-	-	-	-
Equity Three (Private) Limited	5,160,000	849	849	-	-	-
Equity Seven Limited	115,268	5,340	5,340	-	-	-
	93,352	4,501	4,501	-	-	-
	5,400,000	103,214	103,214	-	-	-
	3,271,875	43,148	43,148	-	-	-
		22,340,407	7,924,809		5,493,837	738,176

The Group underwent a restricting process during the year and change in group structure have been disclosed above.

(iii) Investments in Unquoted Deferred Shares

Ceylon Guardian Investment Trust PLC	5,739,770	115,384	115,384	-	-	-
Total Investment in Subsidiaries - Unquoted		22,455,791	8,040,193		5,493,837	738,176
Total Investment in Subsidiaries		28,386,076	13,658,078		6,194,692	1,392,057

(Amounts expressed in Sri Lankan Rs.'000)

(b) Acquisition of subsidiaries

The following represents the fair values of the identifiable assets and liabilities of subsidiaries acquired as at the date of acquisition:

2011

ASSETS		
Property, Plant & Equipments		4,920,722
Prepaid lease payment for Land		776,030
Deferred tax assets		155,007
Inventories		361,447
Trade and other receivables		99,019
Cash and cash equivalents		40,381
Total assets		6,352,606
LIABILITIES		
Retirement benefit obligations		5,391
Deferred tax liabilities		79,471
Amounts due to related companies		3,746,069
Trade and other payables		34,285
		3,865,216
Net identifiable assets		2,487,390
Less: Non-controlling interest		(1,069,363)
Identifiable net assets acquired		1,418,027
Less: Bargain purchase (negative goodwill) from acquisition		(245,980)
Total consideration for acquisition		1,172,047
(c) Consideration for acquisition		1,172,047
Less: Issuance of ordinary shares		(737,053)
Less: Amount due from related companies on acquisition		(263,215)
Consideration for acquisition – cash paid		171,779
The effects of acquisition on cash flow is as follows:		
Consideration settled in cash		171,779
Less: Cash and cash equivalents of subsidiaries acquired		(40,381)
Net cash outflow on acquisition		131,398

(d) Transaction costs

Transaction costs related to the above acquisitions have been recognised in in the income statement for the financial year ended 31 March 2011

(e) Impact of acquisition on income statement

From the date of acquisition, the acquirees have contributed an additional revenue and loss of approximately Rs.105 mn and Rs.87mn respectively for the financial year ended 31 March 2011

(f) Acquisition of non-controlling interests

During the year, the Group acquired additional interest in the following subsidiaries from the existing non controlling shareholders:

Acquirer	Acquiree	Additional interest %	Proportion of ownership interest after additional acquisition %	Consideration
Carson Cumberbatch PLC & Ceylon Brewery PLC	Lion Brewery (Ceylon) PLC	1.38	56.77	212,379
Ceylon Brewery PLC				
Good Hope Asia Holdings Limited	Selinsing PLC	0.62	87.27	19,175
Good Hope Asia Holdings Limited	Good Hope PLC	2.03	89.40	67,391
Good Hope Asia Holdings Limited	PT Agro Indomas	6.78	91.31	1,170,301
Good Hope Asia Holdings Limited	Shalimar Developments Sdn. Bhd.	13.33	100	1,923,244
Good Hope Asia Holdings Limited	PT Agro Harapan Lestari	40	100	101,186
Good Hope Asia Holdings Limited	Agro Harapan Lestari Sdn. Bhd.	40	100	70,133

(Amounts expressed in Sri Lankan Rs.'000)

(g) Amalgamation of subsidiaries

As part of the restructure within the property sector, in accordance with Section 242 (1) of the Companies Act, No. 07 of 2007 and pursuant to receipt of due approval from the Registrar of Companies through the Certificate of amalgamation dated 30th November 2010; Equity Property Developers (Private) Limited, Equity Five Limited, Equity Nine (Private) Limited, Equity Developers (Private) Limited and Carsons Real Estate Management Services (Private) Limited (amalgamating companies), being fully owned subsidiaries of Equity One PLC were amalgamated with Equity One PLC (amalgamated company).

(B) Investment in Associate Companies

(i) Movements of Investments in Associate Companies

	Group		Company	
	As at 31st March 2011	As at 31st March 2010	As at 31st March 2011	As at 31st March 2010
Balance as at the beginning of the year	2,449	11,569	-	-
Transfer during the year	(2,449)	(9,401)	-	-
Share of associate companies' profit for the year	-	740	-	-
Dividend received	-	(459)	-	-
Balance as at the end of the year	-	2,449	-	-

(ii) Measurement of Associate Companies

	No. of Shares	Carrying Value as at 31st March 2011	Market Value/ Valuation as at 31st March 2011	No. of Shares	Carrying Value as at 31st March 2010	Market Value/ Valuation as at 31st March 2010
Investment in Associate Companies - Ordinary Shares						
*ACW Insurance (Pvt) Ltd.	-	-	-	449,999	1,869	1,869
					1,869	1,869
Group Share of Associate Companies - Retained Assets						
*ACW Insurance (Pvt) Ltd.		-	-		580	-
		-	-		580	-
Total investments in associate companies (equity basis)		-	-		2,449	1,869

* Ceased to be an associate from 01/04/2010.

	As at 31st March 2011	Group As at 31st March 2010

29 LONG-TERM INVESTMENTS

(i) Movements in Long-Term Investments

Balance as at the beginning of the year	7,973,037	3,361,084
Additions during the year	2,238,491	2,426,047
Disposals/Redemptions	(579,028)	(1,657,283)
Net realized gain on sale of investment	798,153	679,713
Appreciation value	3,111,619	3,163,476
Balance as at the end of the year	13,542,272	7,973,037

(Amounts expressed in Sri Lankan Rs.'000)

(ii) Measurement of Long-Term Investments - Group

	No of Shares	Market Value/ Valuation as at 31st March 2011	Cost as at 31st March 2011	No. of Shares	Market Value/ Valuation as at 31st March 2010	Cost as at 31st March 2010
(a) Quoted Investments						
Bank & Finance						
Hatton National Bank	2,000,000	760,000	341,368	2,500,000	470,625	415,244
HNB Assurance PLC	1,500,000	120,000	90,735	1,500,000	83,250	90,735
Commercial Bank of Ceylon PLC	4,484,335	1,191,936	463,946	328,800	648,505	462,045
Sampath Bank PLC	1,604,500	462,577	479,421			
		2,534,513	1,375,470		1,202,380	968,024
Beverage, Food & Tobacco						
Nestlé Lanka PLC	100,000	64,080	32,590	100,000	49,000	32,590
Distilleries Company of Sri Lanka Limited		-	-	2,680,300	316,275	184,461
Cargill's (Ceylon) PLC	6,650,300	1,518,263	197,372	7,041,300	496,412	208,976
		1,582,343	229,962		861,687	426,027
Diversified						
Aitken Spence PLC	10,245,000	1,662,764	299,555	891,800	1,225,110	393,392
John Keells Holdings PLC	12,491,159	3,567,475	532,790	12,817,159	2,358,357	547,443
		5,230,239	832,345		3,583,468	940,835
Health care						
Ceylon Hospitals PLC (Durdans)	756,915	75,692	39,942	630,763	75,692	39,942
Hotels & Travels						
Asian Spence Hotels Holding	6,447,050	631,811	252,935	1,029,250	396,261	262,811
Asian Hotels & Properties PLC	-	-	-	-	-	-
		631,811	252,935		396,261	262,811
Manufacturing						
Tokyo Cement Company (Lanka) Limited	4,449,600	195,782	181,332	249,596	-	-
Telecommunications						
Dialog Telekom PLC	10,080,180	-	-	10,080,180	-	-
Total net carrying value of long-term Investments - quoted		10,250,380	2,911,986		6,119,488	2,637,639

(Amounts expressed in Sri Lankan Rs.'000)

	No of Shares	Market Value/ Valuation as at 31st March 2011	No. of Shares	Market Value/ Valuation as at 31st March 2010
(b) Unquoted				
Durdans Medical & Surgical Hospital (Private) Ltd.	21,000,000	262,797	21,000,000	262,797
Softlogic Holdings (Private) Ltd.	2,777,000	199,944	1,750,000	126,000
South Asian Breweries (Private) Limited - Singapore*	-	2,187,086	-	1,447,415
Lanka Communication Services Limited	1,428,496	15,713	1,428,496	15,713
Vallibel One Limited	2,090,000	52,250	-	-
The Sri Lanka Fund	2,531,646	285,051	-	-
Expo Lanka Holdings Limited	41,600,000	252,102	-	-
Textured Jersey Lanka (Private) Limited	2,343,300	35,325	-	-
DFCC Vardhana Bank	128,925	1,600	128,925	1,600
Kandy Private Hospitals Limited	1,200	20	1,200	20
Dormant Companies				
International Grocer's Alliance (Pvt) Limited	5,100,000	-	5,100,000	-
Capital Reach Holding Ltd.	200,000	-	200,000	-
Equity Investments Lanka Limited	22,500	-	22,500	-
Colombo Brick Company Limited	1,000	-	1,000	-
Fantasia Stock & Stockings Limited	1,000	-	1,000	-
Glow weave Rubber Company Limited	1,000	-	1,000	-
Lady Havelock Gardens Limited	6,000	-	6,000	-
Mahaweli Construction Consortium Limited	1,500	-	1,500	-
Rowlands Limited	35,330	-	35,330	-
Rubberite Limited	10,000	-	10,000	-
Total unquoted investments in shares		3,291,888		1,853,545
Debentures				
Riverina Hotels Limited - Zero Coupon	56	-	56	-
Ocean View Limited - 6%	360	4	360	4
Total investments in debentures		4		4
Preference Shares				
Ceylon Cold Stores PLC - 7%	1,362	-	1,362	-
Richard Pieris & Company PLC - 8% - Cumulative	1,375	-	1,375	-
Rowlands Limited - 8% - Cumulative	1,125	-	1,125	-
Total Investment in Preference Shares		-		-
Total Unquoted Investments		3,291,892		1,853,549
Total Long-term other Investments		13,542,272		7,973,037

* A consortium comprising of Carlsberg A/S, The Industrialization Fund for Developing Nations, SA Lion Holdings (Pte) Limited and Lion Brewery (Ceylon) PLC (LBCPLC) incorporated a company based in Singapore, South Asian Breweries (Pte) Limited (SABL), which in turn wholly owns Carlsberg India Private Limited, India. The latter company was formed for the purpose of investing in breweries across the various states of India. LBCPLC owns 22.5% of the issued share capital of SABL. The Board of SABL comprises of nine Directors two of whom represent LBC on the Board of SABL. Consequent to a comprehensive assessment carried out by the management, based on Sri Lanka Accounting Standard 27 "Investment in Associates", this investment has been classified as a Long Term Investment by the LBCPLC due to its limited influence over SABL because of its minority position both in ownership and on the Board.

Subsequent to the Balance Sheet date, the Board of Directors of LBCPLC has decided to dispose of the investment in South Asian Breweries (Pte) Limited, Singapore. In this connection it has concluded negotiations with Carlsberg South Asia Pte Ltd, a subsidiary of the Carlsberg Group, who has agreed to acquire these shares at the Company's book value (cost of investment) as at 31st March 2011. LBC is currently awaiting the necessary regulatory approvals after which the transaction will be concluded. As these conditions did not exist as at Balance Sheet date, the change in intention and proposed disposal of investment have been treated as a non adjusting event in accordance with Sri Lanka Accounting Standard 12 (revised 2005) "Events after Balance Sheet date". Accordingly, the investment in SABL has been presented as Long Term Investment as at Balance Sheet date.

(Amounts expressed in Sri Lankan Rs.'000)

30 LAND COMPENSATION RECEIVABLE

Pegasus Hotels of Ceylon PLC (PRH)

The Government of Sri Lanka acquired approximately 1,251 perches of land owned by the PRH PLC under Section 38 provision (a) of the Land Acquisition Act No.28 of 1964 by gazette notification dated 14th May 2008 for the public purpose of a fisheries harbour project. The Divisional Secretary called for claim of compensation in response to which PRH submitted a claim of compensation for the compulsory acquisition of the said land on 16th July 2008. The final claim stands at Rs.563 mn taking into account the market value of the property, potential economic value lost for hotel expansion and the nuisance value that will be created for hotel operation by the said project. However, as a matter of prudence PRH has accounted for the Compensation Receivable of Rs.189.5mn in the Financial Statements based only on the market value and related costs supported by the valuation report dated 4th April 2009 prepared by Mr K Arthur Perera, A.M.I.V. (Sri Lanka), Valuer & Consultant. A valuation was carried out by Mr. K. Arthur Perera as at 31st March 2011 and according to the said valuation, the said acquired property is valued at Rs.250.4 mn. No adjustment has been made to the compensation receivable on prudent basis; however this will further justify the PRH PLC's claim value on the property. As at Balance Sheet date, PRH has not received any confirmation from the divisional Secretary on the value determination of the said claim.

	As at 31st March 2011	Group As at 31st March 2010
31 ASSET HELD - FOR - SALE		
Balance as at the Beginning of the year	168,000	-
Transfer from Investment Property	-	168,000
Disposal during the year	(168,000)	
Balance as at the end of the year	-	168,000

The assets held for sale (the land situated in Seeduwa) owned by Selingsing PLC has been disposed for a net consideration of Rs.161.80 mn on 30th June 2010. Said transactions has resulted in a net loss of Rs.6.13 mn. for the year 2011.

Shareholders at Selingsing PLC approved the sale of the above land at the Exarordinary General meeting held on 14th May 2010.

	Group		Company	
	As at 31st March 2011	As at 31st March 2010	As at 31st March 2011	As at 31st March 2010
32 INVENTORIES				
Raw materials	1,510,827	995,995	-	-
Work-in-progress	59,534	38,721	-	-
Lands held for development and sale [Note 31 (a)]	502,925	584,882	-	-
Finished goods	1,314,255	487,575	-	-
Nursery	582,238	728,784	-	-
Bottles & crates	361,400	388,584	-	-
	4,331,179	3,224,541	-	-

(a) Details of Land held for Development and Sale

	Company		Fair Value 31st March 2011	Fair Value 31st March 2010
Equity One PLC	No. 7, De Soysa Mawatha, Mount-Lavinia	6.00	470,000	470,000
Equity One PLC	Mirihana Estate, Mirihana	0.37	32,925	92,282
Equity One PLC	Humbert Estate, Athurugiriya		-	22,600
		6.37	502,925	584,882

- (b) As at the balance sheet date, provisions for inventories amounting to Rs.2.8 mn (2010 - Rs.4.6 mn) was made to adjust the inventories into their net realisable values as required by Sri Lanka Accounting Standards No. 05 (Revised 2005) "Inventories". The land situated at Mount Lavinia mortgaged as Primary mortgage for bank loan amounting Rs..142mn as at 31st March 2011.

(Amounts expressed in Sri Lankan Rs.'000)

	Group		Company	
	As at 31st March 2011	As at 31st March 2010	As at 31st March 2011	As at 31st March 2010
33 TRADE AND OTHER RECEIVABLES				
Trade and other receivables (net of provisions)	781,486	1,293,932	-	-
Containers with distributors	864,945	716,123	-	-
Other receivables	2,998,231	2,927,348	870	678
Loans given to employees	23,305	12,306	-	-
	4,667,967	4,949,709	870	678

(a) Trade receivables are generally non-interest bearing and are generally have 15 to 30 days term. Other credit terms are assessed and approved on a case-by-case basis. They are recognized at their original invoice amounts which represents fair value at initial recognition and subsequently tested for impairment.

(b) The carrying amount of the group's trade and other receivables are denominated in the following currencies:

Currency	Group	
	2011	2010
Sri Lankan Rupees	1,634,765	1,144,421
US Dollar	765,874	917,958
Malaysian Ringgit	76,399	1,521
Indonesian Rupiah	2,190,929	2,885,809
	4,667,967	4,949,709

(c) **Provision for Impairment of Trade Receivables - Movement during the year**

Balance as at beginning of the year	15,710	4,408
Provisions during the year	5,568	11,918
Write-offs against provisions during the year	(1,501)	(616)
Balance as at end of the year	19,777	15,710

The above trade receivables that are individually determined to be impaired at the Balance Sheet date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

	As at 31st March 2011			As at 31st March 2010		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
34 SHORT-TERM INVESTMENTS						
(a) Group						
Movement in short-term investments						
Balance as at the beginning of the year	664,405	6,103	670,508	213,696	4,078	217,774
Additions	1,408,333	1,869	1,410,202	981,424	3,600	985,024
Disposals	(1,477,057)	-	(1,477,057)	(832,981)	(1,575)	(834,556)
Mark to market value adjustment for short-term investment	598,571	-	598,571	302,266	-	302,266
Balance as at the end of the year	1,194,252	7,972	1,202,224	664,405	6,103	670,508

(Amounts expressed in Sri Lankan Rs.'000)

	No of Shares	Market Value as at 31st March 2011	No of Shares	Market Value/ Valuation as at 31st March 2010
(i) Short-Term Investments - Quoted				
Banks, Finance & Insurance				
Development Finance Corporation of Ceylon (DFCC)	-	-	637,500	115,069
Ceylinco Insurance Company Limited	-	-	60,000	13,860
HNB Assurance PLC	-	-	421,600	23,399
National Development Bank PLC	193,600	65,901	524,100	110,061
Sampath Bank	480,884	138,639	242,000	53,724
Housing Development Finance Corporation Bank of Sri Lanka	11,000	12,385	11,000	1,573
Commercial Bank of Ceylon PLC	153,881	40,902	-	-
Central Finance Company PLC	40,000	50,948	-	-
Hatton National Bank PLC	100,000	38,000	-	-
Lanka Orix Leasing Company PLC	100,000	11,960	-	-
L B Finance PLC	53,800	9,420	-	-
Merchant Bank of Sri Lanka PLC	664,200	63,630	-	-
		431,785		317,686
Beverage, Food & Tobacco				
Distilleries Company of Sri Lanka PLC	852,000	153,360	-	-
Ceylon Cold Stores PLC	200	150	200	34
		153,510		34
Chemicals & Pharmaceuticals				
Chemical Industries (Colombo) PLC	200	132	200	48
	No of Shares	Market Value as at 31st March 2011	No of Shares	Market Value/ Valuation as at 31st March 2010
Diversified				
Hemas Holdings PLC	98,125	4,514	19,625	2,355
John Keells Holdings PLC	1,181,172	337,343	883,172	162,503
Aitken Spence PLC	-	-	23,100	31,734
C T Holdings	298,000	59,600	-	-
Richard Pieris & Company PLC	2,000,000	27,200	-	-
		428,657		196,591
Hotels				
Aitken Spence Hotels Holding	-	-	250,000	96,250
Connaissance Holdings Company	-	-	100,000	7,300
Browns Beach Hotels PLC	-	-	41,200	2,987
Trans Asia Hotels PLC	187,600	36,732	-	-
		36,732		106,537
Manufacturing				
Royal Ceramic Lanka PLC	200,000	31,400	381,800	43,143
Piramal Glass Ceylon PLC	1,400,000	15,540	-	-
Lanka Floortile PLC	431,900	56,622	-	-
		103,562		43,143
Plantations				
Kegalle Plantations PLC	107,900	22,389	-	-
Namunukula Plantations PLC	149,500	17,133	-	-
		39,522		-
Power & Energy				
Lanka IOC Limited	20,000	352	20,000	365
		352		365
Total short-term quoted investments		1,194,252		664,405

(Amounts expressed in Sri Lankan Rs.'000)

	No of Shares	Market Value Valuation as at 31st March 2011	No of Shares	Market Value/ Valuation as at 31st March 2010
(ii) Short-Term Investments - Unquoted				
Asia Pacific Golf Course Limited	10	2,500	10	2,500
Capital Reach Leasing Limited	-	-	-	-
Beverage Dispensing Company Limited	-	-	60,000	-
Produce Transport Limited	1	-	1	-
Serendib Agro Products Limited	2,500	3	2,500	3
The Unit Trust Management Co.(Private) Limited	360,001	3,600	360,001	3,600
International Grocers Alliance (Pvt) Limited	-	-	5,100,000	-
Sea Food Exporters Consortium (Pvt) Ltd	402,000	-	-	-
ACW Insurance (Private) Limited	449,999	1,869	-	-
Total unquoted investments		7,972		6,103
Total short-term investments		1,202,224		670,508

	As at 31st March 2011	Group As at 31st March 2010	Company As at 31st March 2011	As at 31st March 2010
35 CASH AND CASH EQUIVALENTS				
FCBU Deposits	11,134	27,254	-	-
Call Deposits	797,573	257,367	19,339	12,262
Treasury Bills	15,646	11,689	-	44,430
Fixed deposits	434,196	7,907	-	-
Short-term deposits	1,258,549	304,217	19,339	56,692
Cash-in-hand and at Bank	9,869,226	1,059,360	53,690	4,189
	11,127,775	1,363,577	73,029	60,881

(a) Cash and cash equivalents are denominated in the following currencies:

Sri Lankan Rupees.	2,377,307	595,429	53,690	48,617
US Dollars	7,788,496	291,164	19,133	12,064
Sterling Pound	14,449	1,984	206	200
Indonesian Rupiah	249,346	415,112	-	-
Malaysian Ringgit	672,214	56,690	-	-
Singapore Dollars	602	301	-	-
Euro	25,361	2,897	-	-
	11,127,775	1,363,577	73,029	60,881

Short-term deposits earn interest at floating rates based on daily bank deposits rates and are made for varying periods between one day and three months, depending on the immediate cash requirement of the Group. In 2011, interest earned ranged from 6.5% to 7.5% per annum (8% -10% 2010) for Sri Lankan Rupees short-term deposits and ranged 0.05% to 0.23% (2010 : 0.02% to 1%) per annum for US Dollar short term deposits. 1.15% to 1.25% per annum (2010: 1.15% to 1.71% per annum) for Malaysian Ringgit short-term deposits and 4.5% to 7% per annum (2010: 5.15% to 8% per annum) for Indonesian Rupiah short-term deposits.

Certain Indonesian Bank accounts of PT Agro Indomas, PT Agro Bukit and PT Karya Makmur Sejahtera have been pledged as security for bank loan with Standard Chartered Bank, Singapore.

(Amounts expressed in Sri Lankan Rs.'000)

(b) For the purpose of the consolidated cash flow statement, cash equivalent comprise the following:

	Group		Company	
	As at 31st March 2011	As at 31st March 2010	As at 31st March 2011	As at 31st March 2010
Short-term deposits	1,258,549	304,217	19,339	56,692
Cash-in-hand and at bank	9,869,226	1,059,360	53,690	4,189
	11,127,775	1,363,577	73,029	60,881
Short-term borrowings	(552,000)	(570,000)	-	-
Bank overdrafts	(1,804,727)	(1,768,198)	-	-
	8,771,048	(974,621)	73,029	60,881

	At the beginning of the year 01.04.2010	Sub- division during the year	Capitalizing during the year	At the end of the year 31.03.2011	At the beginning of the year 01.04.2009	Sub- division during the year	Capitalizing during the year	At the end of the year 31.03.2010
36 STATED CAPITAL								
Ordinary Shares	100,000		271,880	371,880	100,000	-	-	100,000
Preference Shares	1,804		38,951	40,755	1,804			1,804
	101,804		310,831	412,635	101,804	-	-	101,804

Movement of No of shares

Ordinary Shares	10,000,000	90,000,000	2,000,000	102,000,000	10,000,000	-	-	10,000,000
Preference Shares	180,350	1,623,150	36,068	1,839,568	180,350	-	-	180,350

The Company has in issue 1,839,568 Eight Percent (8%) Participating Cumulative Preference Shares, which have 8 votes per share at a poll, eight percent (8%) cumulative preference dividend and in addition the right to participate with the Ordinary Shares in the surplus in excess of 0.625% the dividend on Ordinary Shares but at eight (8) times the rate of dividend in the Ordinary Shares in excess of 0.625% of the dividend on such shares, but not entitled to participate in the surplus assets in a winding up.

	Group		Company	
	As at 31st March 2011	As at 31st March 2010	As at 31st March 2011	As at 31st March 2010
37 CAPITAL RESERVES				
Balance as at the beginning of the year	1,292,043	1,184,430	40,000	40,000
Revaluation - property, plant & equipment	232,879	-	-	-
Redemption of preference shares	(29,604)	-	-	-
Currency translation	55,350	98,600	-	-
Transfer	-	9,013	-	-
Changes in equity/transfers/adjustments	(581,047)	-	-	-
Balance as at the end of the year	969,620	1,292,043	40,000	40,000
Represented by				
Capital redemption reserve	40,000	40,000	40,000	40,000
Revaluation reserve	400,949	168,070	-	-
Other capital reserves	528,670	1,083,973	-	-
	969,620	1,292,043	40,000	40,000

The movements in the above reserves are shown in the Statements of Changes in Equity.

Revaluation reserve - Created to set aside revaluation surplus on immovable assets. Not utilised for distribution

Capital redemption reserve - created to be used against redeeming of redeemable preferences. Not utilised for distribution.

Other capital reserves - represents the amounts set aside by the Directors for future expansion and to meet any contingencies.

(Amounts expressed in Sri Lankan Rs.'000)

	Group		Company	
	As at 31st March 2011	As at 31st March 2010	As at 31st March 2011	As at 31st March 2010
38 REVENUE RESERVES				
Balance as at the beginning of the year	11,444,367	6,669,691	2,476,748	2,429,043
Capitalization of reserves	(310,831)		(310,831)	
Exchange translation differences	187,351	1,128,880	-	-
Redemption of preference shares	(22,016)	-	-	-
Profit for the period	3,254,265	2,902,646	3,676,810	133,490
Goodwill on change in shareholdings	(1,461,087)			
Negative Goodwill on change in shareholdings	510,675			
Appreciation of Long-term investments	1,075,125	890,115	-	-
Changes in equity/transfers	(1,886,171)	(61,180)	-	-
Dividend paid	(103,040)	(85,785)	(103,040)	(85,785)
Balance as at the end of the year	12,688,637	11,444,367	5,739,686	2,476,748
Represented by				
General reserve	205,581	205,581	9,283	9,283
Currency translation reserve	633,370	834,469		
Investment property fair value adjustment reserve	372,018	462,468		
Long-term investment revaluation reserve	2,019,401	974,106		
Short term investment revaluation reserve	22,925	22,925		
Retained earning	9,435,342	8,944,818	5,730,403	2,467,465
	12,688,637	11,444,367	5,739,686	2,476,748

- (a) **General Reserve** represents the amounts set aside by the Directors for future expansion, and to meet any contingencies.
- (b) **Currency translation reserve** comprises the net exchange movement arising on the translation of net equity investments of Overseas Subsidiaries into Sri Lankan rupees.
- (c) **Investment property fair value adjustment reserve** Any gains arising from fair value adjustment of investment properties will be transferred from retained earnings/accumulated loss to fair value adjustment reserve and any losses arising will be transferred to fair value adjustment reserve to the extent that loss does not exceed the balance held in the said reserve.
- (d) **Long - term investment revaluation reserve** This consists of unrealised surplus on revaluation of long term investments.

	Group	
	As at 31st March 2011	As at 31st March 2010
39 BORROWINGS		
Current		
Long-Term Borrowings falling due within one year		
Bank borrowings [Note 34 (a)]	2,153,270	2,182,707
Preference share capital	55,000	111,250
Finance lease [Note 34 (f)]	15,714	31,866
	2,223,984	2,325,823
Non-Current		
Long-Term Borrowings falling after one year		
Bank borrowings [Note 39 (a)]	18,814,549	7,969,831
Preference share capital	110,000	165,000
Finance lease [Note 39 (f)]	-	15,503
	18,924,549	8,150,334
	21,148,533	10,476,157

(a) **Bank Borrowings**

Movements in Long-Terms Bank Borrowings		
Balance as at the beginning of the year	10,152,538	9,526,628
Obtained during the year	13,466,990	12,074,024
	23,619,528	21,600,652
Impact of exchange rate changes on conversion	(460,411)	(701,044)
Repayments during the year	(2,191,298)	(10,747,070)
Balance as at the end of the year	20,967,819	10,152,538
Amounts falling due within one year	(2,153,270)	(2,182,707)
Amounts falling due after one year	18,814,549	7,969,831
Movements in Preference share capital		
Balance as at the beginning of the year	276,250	443,750
Repayments during the year	(111,250)	(167,500)
Balance as at the end of the year	165,000	276,250
Amounts falling due within one year	(55,000)	(111,250)
Amounts falling due after one year	110,000	165,000

(Amounts expressed in Sri Lankan Rs.'000)

(b) Details of Long - Term Borrowings

Company	Lender/Rate of Interest (p.a.)	Balance as at 31st March 2011	Balance as at 31st March 2010	Repayment Terms	Security
Carson Cumberbatch PLC	HSBC LIBOR plus 3.87% p.a.	257,600	399,000	Initial USD 3.5 mn (Rs.399 mn) to be repaid in 6 equal semi - annual installments of USD 0.58 mn (Rs.64.0 mn) (excluding interest)	Unsecured.
Equity One PLC*	Hatton National Bank AWPLR + 2.25% (to be reviewed quarterly)	142,000	286,000	To be repaid in 60 months with an initial grace period of 24 months in 11 equal quarterly installments of Rs.36 mn and a final installment of Rs.34 mn plus interest. Interest to be serviced monthly. The loan is to be repaid in full by January 2012	Registered Primary floating mortgage bond (RPFMB) executed over the immovable property at Mount Lavinia and RPFMB to be executed over the property at Dharmapala Mawatha owned by Equity One PLC.
Equity Two PLC	Bank of Ceylon Ltd. 3% per annum	-	1,831	Repayable within 10 years after a grace period of 2 years from 31st March 1998.	Primary Mortgage over the Equity Two PLC land & buildings.
PT Agro Indomas (PTAI)	Standard Chartered Bank, Term loan (refer the note C)	1,766,400	2,280,000	The term loan facility will be due in November, 2014 with an option to extend the maturity for further period five years.	Secured by certain property, receivables, biological assets and the corporate guarantees of PTAI and PT Agro Bukit.
PT Agro Bukit (PTAB)	Standard Chartered Bank, Term loan (refer the note C)	8,920,320	6,954,000	The term loan facility will mature in November 2014 with an extension option for a further five years.	PTAI plantation property, certain plant and equipment other than leased assets have been pledged as security
P T Karya Makmur Sejahtera (KMS)	Standard Chartered Bank, Term loan (refer the note C)	4,084,800		The term loan facility will mature in November 2014 with an extension option for further five years	PTAB's plantation properties certain plant and other than leased assets have been pledged as security
GoodHope Asia Holdings Ltd	Standard Chartered Bank, Term loan (refer the note C)	4,416,000	-		

* Loan obtain by fully owned subsidiary transferred under Equity One PLC consequent to amalgamation.

(Amounts expressed in Sri Lankan Rs.'000)

Company	Lender/Rate of Interest (p.a.)	Balance as at 31st March 2011	Balance as at 31st March 2010	Repayment Terms	Security
Lion Brewery (Ceylon) PLC	DFCC Bank - 10.5% p. a.	22,265	32,952	To be settled in 57 equal monthly 1,232,050 instalments commencing from August 2008.	Unsecured.
	HSBC 1month LIBOR+3.87%	96,485	-	Payable in equal monthly instalments USD 33,333/33 commencing from July 2010	Unsecured.
	HSBC 1month LIBOR+3.17%	1,113,300	-	Payable in 20 equal quarterly instalments commencing from March 2012	Unsecured.
Ceylon Brewery PLC	Hatton National Bank AWPLR + 1.25% p.a.	105,000	135,000	To be settled in 24 equal monthly instalments commencing from October 2009.	Unsecured.
Pegasus Hotels of Ceylon PLC	Commercial Bank PLR + 1% - PLR + 2%	42,150	59,649	To be repaid in 83 equal instalments of Rs.714,000 and final installment amounting to Rs.738,000.	Corporate guarantee given by Carson Cumberbatch & PLC
Equity Hotels Limited	Commercial Bank 11.91% to 14% p. a.	1,500	4,106	To be repaid within three years after a Corporate guarantees given by Carsons Cumberbatch PLC grace period of one year commencing from March 2004. Since re - scheduled.	
		20,967,820	10,152,538		

- (c) On October 1, 2009, the company's subsidiary Goodhope Asia Holdings Ltd. ("GAHL"), as the Group plantation sector holding company, together with other plantation sector companies within the Group, including PT agro Indomas, PT Agro Bukit (PTAB), PT Karya Makmur Sejahtera and PT Agro Asia Pacific (the "Borrowers"), entered into a Credit Facility Agreement with Standard Chartered Bank, (SCB) Singapore Branch for a total facility amount of US\$ 200,000,000. This credit facility is used to finance the expansion program of the plantation asset and to refinance some of the previous bank borrowings to SCB.

The credit facility consists of following:

- Facility A Loan, a term loan facility for US\$ 81,000,000 made available to the Company and PTAB to refinance the loan under the previous loan facilities from SCB.
- Facility B1 Loan, a term loan facility amount of US\$ 59,000,000. This facility is available for all Borrowers.
- Facility B2 Loan, a term loan facility amount of US\$ 50,000,000. This facility is available for all Borrowers.
- Revolving credit facility with maximum facility amount of US\$10,000,000, available for all Borrowers.

The loans are subject to interest at SCB's Cost Of Fund (COF) plus a margin as noted below for each facility:

- Facility A Loan - COF + 3.00% per annum
- Facility B1 and B2 Loans - COF + 3.25% per annum
- Revolving Credit Facility - COF + 2.75% per annum

The term loan facility will mature in November 2014, with an option to extend the maturity for a further period of 5 (five) years. The revolving credit facility carries a maximum maturity period of 6 months for each drawdown.

As of March 31, 2011, the unutilized facilities available for the Borrowers amounted to US\$5,000,000 of the revolving credit facility.

The term loan facility will mature in November 2014, with an extension option being available for a further period of 5 (five) years. The revolving credit facility carries a maximum maturity period of 6 months for each drawdown.

(Amounts expressed in Sri Lankan Rs.'000)

(d) The carrying amounts of the Group's borrowings are denominated in the following currencies:

	Secured		Unsecured		Balance as at	Balance as at
	2011	2010	2011	2010	31st March 2011	31st March 2010
US dollar	19,187,520	9,234,000	1,467,385	399,000	20,654,905	9,633,000
Sri Lankan Rupees	185,650	351,586	127,265	167,952	312,915	519,538
	19,373,170	9,585,586	1,594,650	566,952	20,967,820	10,512,538

(e) Maturity Profile of Long - Term Borrowings

The profile of the maturity of the long-term borrowings included in the Group's Balance Sheet as at 31st March is shown in the table below:

	Group		Total as at 31st March 2011
	Bank Borrowings	Finance Lease	
Due within 1 year	2,207,019	15,714	2,222,733
1 to 2 years	2,123,820	-	2,123,820
2 to 5 years	16,801,980	-	16,801,980
	21,132,819	15,714	21,148,533

(f) Obligations under Finance Leases

	Group	
	As at 31st March 2011	As at 31st March 2010
Movements in Finance Leases		
Balance as at the beginning of the year	47,369	100,501
On Consolidation	20,171	-
Obtained during the year	-	-
	67,540	100,501
Impact of exchange rate changes on conversion	(35,624)	20,498
Re - payments during the year	(31,916)	(73,630)
Balance as at the end of the year	-	47,369

Company's subsidiaries PT Agro Indomas and PT Agro Bukit (lease) entered into lease agreements with PT Astra Sedaya Finance for certain heavy equipment and motor vehicles that are being used by the lease in their operations with lease terms of three (3) years. The lease obligations are subject to interest rates ranging from 8.85% to 11.67% per annum. Under the lease agreements, the lease substantially has all the risks and rewards normally associated with ownership of the leased assets, including the option to purchase the leased assets for an amount equivalent to the residual value of the leased assets at the end of the lease terms.

	Group	
	As at 31st March 2011	As at 31st March 2010
Analysis of finance obligation by year of re - payment		
Minimum lease payments:		
Due within one year	16,802	37,054
Due within two years	-	16,262
Future lease payments	16,802	53,316
Less: Future finance charges	(1,088)	(5,947)
Present value of minimum lease payable	15,714	47,369
Less: Current portion of obligations due under finance lease	(15,714)	(31,866)
	-	15,503

(Amounts expressed in Sri Lankan Rs.'000)

(g) The following table shows the interest rate profiles and currency analysis of the Group's Bank Borrowings as at 31st March 2011.

	Currency	Weighted Average Interest Rate	Fixed Rate Weighted Average time for which rate is fixed years	Floating Rate		Total Rs.	
				Amount 31.03.2011 Rs.	Weighted Average Interest Rate		Amount 31.03.2011 Rs.
Long-Terms Borrowings	US \$				LIBOR+2.4% p.a	19,187,520	19,187,520
	US \$				PLR+1% p.a	257,600	257,600
	US \$				LIBOR+3.87% p.a	96,485	96,485
	US \$				LIBOR+3.17% p.a	1,113,300	1,113,300
	Sri Lankan Rupees				AWPLR + 2.25%	142,000	142,000
	Sri Lankan Rupees				PLR+1% - PLR+2%	42,150	42,150
	Sri Lankan Rupees				AWPLR + 1.25% p.a	105,000	105,000
	Sri Lankan Rupees	3% p.a	10 years	-		-	-
	Sri Lankan Rupees	10.5% p.a	3 years	22,265		-	22,265
Sri Lankan Rupees	13.5% p.a	5 years	1,500		-	1,500	
				23,765		20,944,055	20,967,820
Short-Terms Borrowings	Sri Lankan Rupees			-		552,000	552,000
Bank Overdrafts	Sri Lankan Rupees				PLR+1% p.a	1,804,727	1,804,727
Lease Creditors	Indonesian Rupiah		2 years		8.85% to 11.67% per annum	15,714	15,714
				23,765		23,316,496	23,340,261

The following table shows the interest rate profiles and currency analysis of the Group's Bank Borrowings as at 31st March 2010.

	Currency	Weighted Average Interest Rate	Fixed Rate Weighted Average time for which rate is fixed years	Floating Rate		Total Rs.	
				Amount 31.03.2010 Rs.	Weighted Average Interest Rate		Amount 31.03.2010 Rs.
Long-Terms Borrowings	US \$				LIBOR+2.4% p.a	9,234,000	9,234,000
	Sri Lankan Rupees				PLR+1% p.a	399,000	399,000
	Sri Lankan Rupees				AWPLR + 2.25%	286,000	286,000
	Sri Lankan Rupees				PLR+1% - PLR+2%	59,649	59,649
	Sri Lankan Rupees				AWPLR + 1.25% p.a	135,000	135,000
	Sri Lankan Rupees	3% p.a	10 years	1,831		-	1,831
	Sri Lankan Rupees	10.5% p.a	3 years	32,952		-	32,952
	Sri Lankan Rupees	13.5% p.a	5 years	4,106		-	4,106
				38,889		10,113,649	10,152,538
Short-Terms Borrowings	Sri Lankan Rupees			-		570,000	570,000
Bank Overdrafts	Sri Lankan Rupees				PLR+1% p.a	1,768,198	1,768,198
Lease Creditors	Indonesian Rupiah		3 years		7.75% to 10.25% p.a	22,845	22,845
			3 years		8.85% to 11.67% p.a	24,524	24,524
				38,889		12,499,216	12,538,105

(Amounts expressed in Sri Lankan Rs.'000)

	Group		Company	
	As at 31st March 2011	As at 31st March 2010	As at 31st March 2011	As at 31st March 2010
40 TRADE AND OTHER PAYABLES				
Current				
Trade payables	609,931	1,060,941	-	-
Other creditors including accrued expenses	3,103,407	1,210,992	1,795	1,500
Provisions	-	1,249,755	-	-
Unclaimed dividend	75,444	54,908	25,413	24,437
	3,788,782	3,576,596	27,208	25,937
Non-Current				
Rental deposits [Note 40 (a)]	28,726	23,330	-	-
Customer deposits [Note 40 (b)]	744,326	627,838	-	-
Long-term payable [Note 40 (c)]	-	222,061	-	-
	773,052	873,229	-	-
	4,561,834	4,449,825	27,208	25,937

Term and condition of the above current Financial liabilities:

Trade payables are non-interest bearing and are normally settled on 60 to 90 day terms.

Other payables are non-interest bearing and have an average term of six months.

Interest payables are normally settled monthly throughout the financial year.

	Group	
	As at 31st March 2011	As at 31st March 2010
(a) Rental Deposits		
Balance as at the beginning of the year	23,330	27,469
Receipts during the year	8,565	3,469
Refunds made during the year	(3,169)	(7,608)
Balance as at the end of the year	28,726	23,330

The above rental and telephone deposits are repayable on termination of the tenancy agreements in the real estate sector.

(b) Customer Deposits		
Balance as at the beginning of the year	627,838	594,131
Receipts during the year	117,557	59,931
Refunds made during the year	(1,069)	(26,224)
Balance as at the end of the year	744,326	627,838

Customer deposits are taken as security against the containers with the distributors in the beverage sector.

For the year ended	Group		Company	
	As at 31st March 2011	As at 31st March 2010	As at 31st March 2011	As at 31st March 2010

41 AMOUNTS DUE TO RELATED COMPANIES

Amounts due to Subsidiaries

Carson Cumberbatch PLC	-	-	50,050	-
Total amount due to related companies	-	-	50,050	-

Amount due to subsidiaries are on interest 8% per annum and repayable on demand.

(Amounts expressed in Sri Lankan Rs.'000)

	Group	
	As at 31st March 2011	As at 31st March 2010
42 RETIREMENT BENEFIT OBLIGATION		
The amounts recognized in the income statement are as follows;		
Current service cost	96,973	42,892
Interest cost	28,200	17,427
Amortization of past service costs - non - vested	22	25
Amortization of actuarial (gain)/loss	1,416	(109)
Immediate recognition of new entrants	39,495	30,439
Curtailement gain	(50,851)	(17,455)
Settlement (gain)/loss	765	(1,308)
Total employee benefit expense	116,020	71,911

The details of employee benefit liability at 31st March 2011 and 2010 are as follows:

Present value of unfunded obligations	425,751	278,145
Unrecognized past service cost - non-vested	(35)	(139)
Unrecognized actuarial loss	(91,623)	(55,613)
	334,093	222,393

The movement in the liabilities recognized in the balance sheet is as follows:

Balance as at the beginning of the year	222,393	136,730
On consolidation	5,391	
Provision for the year	116,020	71,911
Reversal for the year	-	(1,148)
Payments made during the year	(12,381)	(8,905)
Impact of exchange rate changes on conversions	2,670	23,805
Balance as at the end of the year	334,093	222,393

A separate fund has not been established to accommodate the liability arising in respect of gratuity. The above gratuity provision of Rs.110.42 mn (2010 -Rs.61.02 mn) is based on assumptions of an actuarial valuation carried out by Mr. M. Poopalanathan, AIA, of Messrs Actuarial & Management Consultants (Private) Limited, as at 31st March 2011, for the Sri Lankan Subsidiaries and the provision for Malaysian operations in accordance with the formula method as described in (E) of SLAS 16 (Revised) "Retirement Benefit cost" for the year ended 31st March 2011.

The Indonesian Subsidiaries, engaged an independent actuary, PT Dayamandiri Dharmakonsilindo to conduct actuarial valuation of employee benefits liability as of March 31st 2011 using the projected unit credit actuarial valuation method.

The actuarial valuation was made using the following assumption:

	Sri Lanka	Indonesia	Malaysia
Discount rate	12% per annum	9% per annum	4% per annum
Future salary increment rate	10% per annum	10% per annum	3% per annum
Mortality rate	A 67/70 Mortality Table issued by the Institute of Actuaries, London	CSO 1980	
Disability rate	10% of mortality rate		-
Resignation rate	5% per annum for age up to 49 and thereafter zero. at age 45 and thereafter	3% per annum from age 20 and 55 years reducing linearly to 1% per annum	-
Retirement age	55 years.	100% at normal retirement	-

(Amounts expressed in Sri Lankan Rs.'000)

43 COMPANIES WITHIN GROUP WHICH ARE NOT AUDITED BY MESSRS KPMG FORD, RHODES, THORNTON & CO.

Goodhope Asia Holdings Limited	Ernst & Young - Singapore
Agro Asia Pacific Limited	Ernst & Young - Singapore
Indo-Malay PLC	Ernst & Young - Sri Lanka
Selinsing PLC	Ernst & Young - Sri Lanka
Good Hope PLC	Ernst & Young - Sri Lanka
Shalimar (Malay) PLC	Ernst & Young - Sri Lanka
Agro Harapan Lestari (Private) Limited	Ernst & Young - Sri Lanka
AHL Business Solutions (Private) Limited	Ernst & Young - Sri Lanka
Shalimar Developments Sdn. Bhd.	Ernst & Young - Malaysia
Agro Harapan Lestari Sdn. Bhd.	Ernst & Young - Malaysia
PT Agro Indomas	Ernst & Young - Indonesia
PT Agro Bukit	Ernst & Young - Indonesia
PT Agro Harapan Lestari	Ernst & Young - Indonesia
PT Agro Asia Pacific	Ernst & Young - Indonesia
PT Karya Makmur Sejahtera	Ernst & Young - Indonesia
PT Nabir Baru	Ernst & Young - Indonesia
PT Agrajaya Baktitama	Ernst & Young - Indonesia
PT Rim Capital	Ernst & Young - Indonesia
PT Agro Wana Lestari	Ernst & Young - Indonesia

	Group	
	As at 31st March 2011	As at 31st March 2010
44 CAPITAL COMMITMENTS		
Oil Palm Plantations	2,738,194	1,720,808
Approved and contracted for	2,738,194	1,720,808
Beverage		
Approved and contracted for	82,602	227,450
	82,602	227,450
Investment Holdings		
Approved and contracted for	-	100,000
	-	100,000
Total capital commitment	2,820,796	2,048,258

As at 31st March 2011 Goodhope Asia Holdings Ltd. (GAHL) through its subsidiary Company Agro Asia Pacific Ltd. (AAPL) had made commitments with Premium Nutrient Berhad (PNB) to acquire 100% ownership in the subsidiary Companies owned by PNB, namely Premium Vegetable Oils Sdn. Bhd. (PVO) and Premium Fats Sdn. Bhd. (PFSB) in Malaysia and Arani Agro Oils Industries Ltd. (AAO) in India for a total consideration of Rs 4,030 million (approx. US\$ 36.5 mn.) subsequent to the signing of the Sales and Purchase agreement with PNB.

There were no material contracts for capital expenditure as at the Balance Sheet date other than the above.

45 CONTINGENCIES

- (a) Malaysian plantation properties of Indo-Malay PLC and Selinsing PLC were charged as security to Standard Chartered Bank (SCB) Singapore to secure a financing facility under Goodhope Asia Holdings Ltd., in order to facilitate the Group expansion programme of the plantation asset base and to refinance the Group's existing debt obligations.

An internal arrangement was established to ensure equitability amongst the four Malaysian plantation companies (Indo-Malay PLC, Selinsing PLC, Good Hope PLC, and Shalimar Malay PLC), with each of the four Malaysian plantation companies counter guaranteeing the combined liability that would crystallize in the event of a successful claim on properties mortgaged by Indo-Malay PLC and Selinsing PLC. As such total loss incurred by Good Hope PLC in the event of a successful claim is limited to 25% of the combined loss.

All the borrowers under the facility together with the Company's subsidiaries namely Shalimar Developments Sdn. Bhd., Agro Harapan Lestari Sdn. Bhd. and PT Agro Harapan Lestari have also provided corporate guarantees, for the value of / and all obligations of the facilities, by each borrower.

(Amounts expressed in Sri Lankan Rs.'000)

- (b) Carson Cumberbatch PLC has provided guarantees on behalf of the said above subsidiary of Equity One PLC with limited liability extending only to unrecovered amounts if any, from mortgage bonds.
- (c) There are 14 cases filed against the Lion Brewery (Ceylon) PLC claiming damages due as a result of a road accident that occurred at Induruwa, Balapitiya on 10th April 2007. The aggregate of all the claims of said cases amounted to Rs. 46 mn. All the cases are currently pending.
- (d) In 2008 the Customs Department instituted a prosecution in the Fort Magistrate's Court (MC) against the Company's subsidiary Ceylon Brewery PLC and its Directors for the recovery of Rs. 48.1 mn comprising of Rs.23 mn being the amount of Excise (Special Provision) duty purportedly in arrears during the period 1998/IVq to 2001/IIIq and Rs.25 mn as its penalty. Ceylon Brewery PLC and the Directors filed an application for Writ in the Court of Appeal (CA) to quash the Certificate of Excise Duty in Default issued by the Director General of Customs and Excise Duty to recover the said sum and thereby obtained a Stay Order in respect of the proceedings of the Fort MC Case. Pending the conclusion of the CA case the CA ordered the payment of Rs. 23 mn to Sri Lanka Customs which was the duty amount in dispute which has been paid by Ceylon Brewery PLC. However, no provision has been made for the penalty of Rs.25 mn since the CA case is still on going.
- (e) The Customs Department instituted a prosecution in the Magistrate's Court of Kaduwela against the Company's subsidiary Lion Brewery (Ceylon) PLC and its Directors to recover Excise Duty amounting to Rs 58.7 mn comprising of the disputed Excise Duty of Rs. 29.3 mn and its penalty of Rs. 29.3 mn. Lion Brewery (Ceylon) PLC and the Directors have filed an application for Writ in the Court of Appeal to quash the Certificate Excise Duty in Default issued by the DG of Customs and Excise Duty to recover the said sum and obtained a Stay Order in respect of the proceedings of the MC Kaduwela Case. The Court of Appeal matter is currently pending.
- (f) An ex-parte judgement (in default of appearance) has been made against Carson Cumberbatch PLC by an overseas Court for a sum of Sterling pound 271,323.38 in an action filed by a former consultant of the Company. The Company has challenged the enforceability of the said overseas judgment in an action filed by the Company in the District Court of Colombo and the Company is confident of the objections it has taken.
- (g) An employee had filed action in the Labour Tribunal against the termination of his services on disciplinary grounds and was awarded damages of Rs. 392,000/- against Pegasus Hotels of Ceylon PLC. The company has appealed against the decision to the High Court of the Western Province (Gampaha).

A case has been filed against the company's subsidiary Pegasus Hotels of Ceylon PLC by an individual in the District Court of Negombo seeking a declaratory title from court stating that he is a co-owner of 127.5 perches of the Land belonging to Pegasus Hotels of Ceylon PLC. This matter is still pending. However, the Company is confident that it can establish title to the land it holds. In any case the land portion claimed falls within the land extent acquired by the Government for building a fisheries harbour.

- (h) The contingent liabilities as at 31st March 2011 on corporate guarantees given to third parties by companies forming part of the Group in respect of facilities granted are as follows:

	As at 31st March 2011	As at 31st March 2010
Carson Cumberbatch PLC	75,000	129,000
PT Agro Indonas	1,766,400	2,280,000
PT Agro Bukit	8,920,320	-
PT Karya Makmore Sejahtera	4,084,800	-
Goodhope Asia Holding Ltd.	4,416,000	-
	19,262,520	2,409,000

	Group		Company	
	As at 31st March 2011	As at 31st March 2010	As at 31st March 2011	As at 31st March 2010
46. NET ASSETS PER SHARE				
Company and Group net asset per share calculation as follows:				
Total equity	46,830,157	31,423,903	6,192,321	2,618,582
Less : Non controlling interest	(32,759,265)	(18,985,690)	-	-
Outstanding preference shares	(40,755)	(1,804)	(40,755)	(1,804)
	14,030,137	12,836,409	6,151,566	(2,616,748)
Number of ordinary shares used as a denominator	102,000,000	102,000,000	102,000,000	102,000,000
Net asset per share	Rs. 137.55	Rs. 125.85	Rs. 16.31	Rs.25.65

(Amounts expressed in Sri Lankan Rs.'000)

47 EVENTS OCCURRING AFTER THE REPORTING PERIOD

Company and Carson Cumberbatch PLC made a voluntary offer to the shareholders of the Malaysian plantation Companies (MPC), namely Shalimar (Malay) PLC, Selinsing PLC, Indo-Malay PLC and Good Hope PLC, on March 17th 2011 to acquire the ordinary shares held by the minority. The MPC share holders were offered Carson Cumberbatch PLC (CCPLC) and Bukit Darah PLC (BDPLC) shares from their respective investment portfolios in lieu for their share holdings in the respective MPCs. The MPC shares received via the Voluntary Offer by CCPLC and BDPLC were to be transferred to GAHL subsequent to the completion of the Voluntary Offers. Accordingly, the following shares of the MPCs valued at Rs.2,358.25mn(US\$ 21,199,063) were acquired and were transferred to Goodhope Asia Holdings Ltd. (GAHL) by CCPLC and BDPLC on 3rd May 2011. In the course of the offer CCPLC and BDPLC diluted their respective holdings in each other by 1.15% and 0.73% respectively.

	Transferred from CCPLC		Transferred from BDPLC		Total	
	No of Shares	Value (US\$)	No of Shares	Value (US\$)	No of Shares	Value (US\$)
Shalimar (Malay) PLC	150,882	1,203,636	100,588	802,425	251,470	2,006,061
Good Hope PLC	175,099	1,867,682	116,734	1,245,134	291,833	3,112,816
Selinsing PLC	313,951	3,103,085	209,300	2,068,717	523,251	5,171,802
Indo- Malay PLC	512,133	6,545,022	341,423	4,363,361	853,556	10,908,384
		12,719,425		8,479,638		21,199,063

As purchase consideration for the MPC shares thus transferred to GAHL, 8,513,680 ordinary shares of GAHL shares were issued to CCPLC and BDPLC.

– GAHL shares issued to CCPLC – 5,108,203

– GAHL shares issued to BDPLC – 3,405,477

Subsequent to the voluntary offer, the gross holding and effective holding of the four Malaysian plantation Companies by GAHL group are as follows.

	Gross holding (%)
Shalimar (Malay) PLC	95.89%
Good Hope PLC	93.87%
Selinsing PLC	94.81%
Indo-Malay PLC	89.49%

48 RELATED PARTY DISCLOSURES

The Bukit Darah PLC carries out transactions in the ordinary course of its business with parties who are defined as related parties in Sri Lanka Accounting Standard 30 (Revised 2005)"Related Party Disclosures";the details of which are given below.

(01) Non Recurring Transactions

(a) Transactions with Subsidiaries

Current Year - 2011

1 Transfer of Equity Hotels Limited.

During the period, to consolidate the group's leisure sector under one holding company , Carson Cumberbatch PLC (CCPLC) transferred its fully owned subsidiary Equity Hotels Limited (EHL) to it's subsidiary Pegasus Hotels of Ceylon PLC for a consideration of Rs. 109.6mn. This transaction was based on a business valuation of EHL carried out by M/s. KPMG Ford, Rhodes, Thornton & Co;

2 Transfer of Guardian Capital Partners PLC (formerly known as Watapota Investment PLC)

During the year Carsons Group restructured its investment business portfolio by identifying Guardian Capital Partners PLC (GCPPLC), formerly known as Watapota Investment PLC to specialise in private equity investments. To execute this strategy Company sold its rights entitlement in GCPPLC rights issue to Ceylon Guardian Investment Trust PLC (CGITPLC), thereby transferring the direct controlling interest of GCPPLC to CGITPLC. The rights were transferred at Rs.10.30 per share for a total consideration of Rs.224.8mn.

3 CCPLC purchased a further 8.3% stake in Ceylon Brewery PLC and a 4.07% stake in Lion Brewery PLC from both Ceylon Guardian Investment Trust PLC (CGITPLC) & Ceylon Investment PLC (CIPLC) at values of Rs.453.2mn and Rs.504.1mn respectively on the trading floor.

4 CCPLC disposed of its 10.62% holding in Ceylon Investment PLC (CIPLC) in its entirety to Ceylon Guardian Investment Trust PLC (CGITPLC) for Rs.999.7mn on the trading floor as part of the restructuring of Group's investment business.

Last year - 2010

1 During the financial year 2009/10, Company's subsidiary companies, Ceylon Guardian Investment Trust PLC (CGITPLC) and Ceylon Investment PLC (CIPLC) re-purchased part of its shares as per section 64 of the Companies Act No.7 of 2007. Company accepted the said re-purchase offer and as a result received Rs.773.5mn and Rs.96.9mn from CGITPLC and CIPLC respectively as share re-purchase proceeds. The resulting gains made from above re-purchase was Rs.648.9mn & Rs.55.0mn respectively.

(b) Transaction between Subsidiaries

Current year - 2011

- 1 Company's subsidiary, Goodhope Asia Holdings Ltd (GHAL), purchased a 70% stake in PT Agro Bukit (PTAB) and 13.33% stake in Shalimar Developments Sdn Bhd (SDSB) from Bukit Darah PLC and a further 20% stake of PTAB from SDSB. With this acquisition, share holder loans due to Bukit Darah and SDSB from PTAB were also transferred to GHAL. Total consideration for the transaction was Rs.6,550.3mn (USD 59.37mn).
- 2 Pursuant to the restructuring of the plantation sector of the Bukit Darah Group of companies, its subsidiary Goodhope Asia Holdings Limited (GHAL) consolidated its holdings in the Indonesian plantation companies. In the course of the same, GHAL acquired the following shares and share holder advance from Rim capital Holdings Sdn Bhd (RHSB) for a consideration of USD 28,654,434 against which GHAL allotted 12,512,853 ordinary shares to RHSB.
 - (i) PT Rim Capital (PTRC)- 95% of the share capital (950,000 shares) and a share holder loan amounting to US\$ 7,887,557.
 - (ii) PT Agro Indomas (PTAI)-6.78% of the share capital (3,050 shares)
 - (iii) PT Agro Bukit (PTAB)- 5.00% of the share capital (413,250 shares) and a shareholder loan amounting to US\$ 1,966,225/-
 - (iv) PT Agro Harapan Lestari (PTAHL) – 40.00% of the share capital (100,000 shares)
 - (v) Agro Harapan Lestari Sdn Bhd (AHL SB) –40.00% of the share capital (112,000 shares)
- 3 During the year, ownership of Bukit Darah Group's investment management company, Guardian Fund Management Ltd (GFM) was transferred from Rubber Investment Trust Limited to Ceylon Guardian Investment Trust PLC (CGITPLC) for Rs.28.1mn, both companies being Carsons Group subsidiaries. as a part of the investment sector restructuring . CGITPLC now owns 99.99% of GFM.
- 4 41,600,000 ordinary shares of Expolanka holdings Limited, initially held by Group subsidiary, Ceylon Investment PLC (CIPLC) on behalf of another Group subsidiary, Guardian Capital Partners PLC (GCP), was transferred during the year for Rs.250.85mn. GCP paid Rs.5.72mn as interest to CIPLC against the cost of funds at 8% per annum for the said transaction.

2011 **2010**

(a) Transaction with Subsidiaries

1 Carson Cumberbatch PLC

Carson Cumberbatch PLC is a subsidiary of Bukit Darah PLC.

i A summary of transaction of Bukit Darah PLC with CCPLC are as Follows:

Dividend income	89,344	67,008
Dividend paid	6,571	5,431

ii A summary of transaction of Carson Cumberbatch PLC with other group companies are given below

<i>Current account balance - 31st March</i>		
Amount due from	747,281	531,030
Amount due to	86,948	47,020

2 Carsons Management Services (Private) Limited (CMSL)

Carsons Management Services (Private) Limited is a subsidiary of Bukit Darah PLC.

i A summary of transaction of Bukit Darah PLC with CMSL are as Follows:

There were no transactions during the period	-	-
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ii A summary of transaction of CMSL with other group companies are given below

Management services income	191,224	131,661
Administration expenses paid	10,137	18,504
<i>Current account balance - 31st March</i>		
Amount due from	343,378	323,129
Amount due to	-	5,627
Amount due from Associates	-	16

3 PT Agro Harapan Lestari.

PT Agro Harapan Lestari is a subsidiary of Bukit Darah PLC.

i A summary of transaction of Bukit Darah PLC with PT Agro Harapan Lestari are as Follows:

There were no transactions during the period	-	-
--	---	---

ii A summary of transaction of PT Agro Harapan Lestari with other group companies are given below

Management services income	951,166	619,352
Administration expenses paid	15,113	-
<i>Current account balance - 31st March</i>		
Amount due from	139,390	188,770
Amount due to	8,058	52,266
Amount due from Associates	-	64,326

(Amounts expressed in Sri Lankan Rs.'000)

	2011	2010
4 Agro Harapan Lestari Sdn. Bhd.		
Agro Harapan Lestari Sdn. Bhd. is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with Agro Harapan Lestari Sdn. Bhd. are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of Agro Harapan Lestari Sdn. Bhd. with other group companies are given below		
Management services income	55,165	39,539
Current account balance		
Amount due from	-	165,686
5 Agro Harapan Lestari (Private) Limited		
Agro Harapan Lestari (Private) Limited is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with Agro Harapan Lestari (Private) Limited are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of Agro Harapan lestari (Private) Limited with other group companies are given below		
Management services income	261,881	150,111
Administration expenses paid	8,533	6,969
Current account balance		
Amount due from	64,923	85,197
Amount due from Associates	-	14,957
6 AHL Business Solution (Private) Limited		
AHL Business Solution (Private) Limited is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with AHL Business Solution (Private) Limited are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of AHL Business Solution (Private) Limited with other group companies are given below		
Management services income	19,720	-
Current account balance - 31st March		
Amount due from	-	-
7 Guardian Fund Management Limited (GFM)		
Guardian Fund Management Limited (GFM) is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with Guardian Fund Management Limited (GFM) are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of Guardian Fund Management Limited (GFM) with other group companies are given below		
Management services income	32,345	13,496
Administration expenses paid	648	490
Current account balance		
Amount due to	-	11,750
8 Good Hope PLC		
Good Hope PLC is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with Good Hope PLC are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of Good Hope PLC with other group companies are given below		
Management services income	-	6,750
Dividend income	38,855	7,557
Dividend paid	65,494	17,577
Administration expenses paid	15,515	10,135
Long term lending balance *	274,362	274,362

* These advances non-interest bearing and pending capitalization

(Amounts expressed in Sri Lankan Rs.'000)

	2011	2010
9 Indo-Malay PLC		
Indo-Malay PLC is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with Indo-Malay PLC are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of Indo-Malay PLC with other group companies are given below		
Management services income	-	6,356
Dividend income	38,301	5,394
Dividend paid	46,392	4,859
Administration expenses paid	13,116	7,181
Long term lending balance *	8,311	8,311
Current account balance	-	18,642
* These advances non -interest bearing and pending capitalization		
10 Shalimar (Malay) PLC		
Shalimar (Malay) PLC is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with Shalimar (Malay) PLC are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of Shalimar (Malay) PLC with other group companies are given below		
Management services income	-	8,246
Dividend income	36,919	
Dividend paid	57,639	223,048
Administration expenses paid	15,038	7,995
Loan obtain during the year	18,642	-
Long term lending balance *	48,972	48,972
* These advances non -interest bearing and pending capitalization		
11 Selingsing PLC		
Selingsing PLC is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of CCPLC with Selingsing PLC are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of Selingsing PLC with other group companies are given below		
Management services income	-	6,597
Dividend income	43,624	26,168
Dividend paid	202,491	16,138
Administration expenses paid	22,211	14,205
Long term lending balance *	199,472	199,472
* These advances non -interest bearing and pending capitalization		
12 Agro Asia Pacific Limited		
Agro Asia Pacific Limited is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with Agro Asia Pacific Limited are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of Agro Asia Pacific Limited with other group companies are given below		
Administration expenses paid	2,703	-
Current account balance		
Amount due to *	441,600	-
* These advance non -interest bearing , unsecured and repayable upon demand		

(Amounts expressed in Sri Lankan Rs.'000)

	2011	2010
13 Agro Jaya Bakititma		
Agro Jaya Bakititma is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with Agro Jaya Bakititma are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of Agro Jaya Bakititma with other group companies are given below		
Management services income	-	-
<i>Current account balance - 31st March</i>		
Amount due to *	816,738	-
14 PT Agro Indomas (PTAI)		
PT Agro Indomas (PTAI) is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with PT Agro Indomas (PTAI) are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of PT Agro Indomas (PTAI) with other group companies are given below		
Management services income	-	40,046
Dividend paid	286,217	102,516
Administration expenses paid	793,838	784,866
<i>Current account balance - 31st March</i>		
Amount due from *	1,267,491	4,214,874
Amount due to	162,092	78,515
Amount due from Associates	-	2,673
* These advance non -interest bearing , unsecured		
15 PT Agro Bukit		
PT Agro Bukit is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with PT Agro Bukit are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of PT Agro Bukit with other group companies are given below		
Administration expenses paid	379,597	235,866
<i>Current account balance - 31st March</i>		
Amount due to	96,853	325,746
16 PT Rim Capital		
PT Rim is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with PT Rim Capital are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of PT Rim with other group companies are given below		
<i>Current account balance - 31st March</i>		
Amount due from	18,204	-
Amount due to	349,742	-
17 PT Nabir Baru		
PT Nabir Baru is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with PT Nabir Baru are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of PT Nabir Baru with other group companies are given below		
<i>Current account balance - 31st March</i>		
Amount due to	97,696	-

(Amounts expressed in Sri Lankan Rs.'000)

	2011	2010
18 PT Agro Asia Pacific		
PT Agro Asia Pacific is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with PT Agro Asia Pacific are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of PT Agro Asia Pacific with other group companies are given below		
Management services income	65,577	42,430
Administration expenses paid	2,705	2,757
<i>Current account balance</i>		
Amount due from	29,514	26,308
19 PT Karya Makmur Sejathrea		
PT Karya Makmur Sejathrea is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with PT Karya Makmur Sejathrea are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of PT Karya Makmur Sejathrea with other group companies are given below		
Management services income	28,244	-
Administration expenses paid	99,781	64,316
<i>Current account balance - 31st March</i>		
Amount due from	2,925,616	
Amount due to	115,850	1,513,120
20 Good Hope Asia Holdings Limited		
Good Hope Asia Holdings Limited is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with Good Hope Asia Holdings Limited are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of Good Hope Asia Holdings Limited with other group companies are given below		
Dividend income	948,796	416,839
<i>Current account balance - 31st March</i>		
Amount due from	658,385	117,003
Amount due to	1,562,766	3,323,859
Amount due from Associates	-	239,987
21 Shlimar Developments Sdn. Bhd.		
Shlimar Developments Sdn. Bhd. is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with Shlimar Developments Sdn. Bhd. are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of Shlimar Developments Sdn. Bhd. with other group companies are given below		
Dividend income	286,217	102,516
<i>Current account balance - 31st March</i>		
Amount due from	1,582,302	546,829
Amount due to	531,117	531,177
Amount due from Associates	-	179,819
22 Ceylon Guardian Investment Trust PLC (CGIT)		
Ceylon Guardian Investment Trust PLC (CGIT) is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with Ceylon Guardian Investment Trust PLC (CGIT) are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of Ceylon Guardian Investment Trust PLC (CGIT) with other group companies are given below		
Dividend income	215,092	350,623
Interest income	-	5,861
Administration expenses paid	9,128	6,226

(Amounts expressed in Sri Lankan Rs.'000)

	2011	2010
23 Ceylon Investment PLC (CIPLC)		
Ceylon Investment PLC (CIPLC) is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with Ceylon Investment PLC (CIPLC) are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of Ceylon Investment PLC (CIPLC) with other group companies are given below		
Dividend income	44,129	106,934
Interest income	-	39,726
Dividend paid	86,572	107,167
Administration expenses paid	9,453	6,388
24 Rubber Investments Trust Limited (RITL)		
Rubber Investments Trust Limited (RITL) is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with Rubber Investments Trust Limited (RITL) are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of Rubber Investments Trust Limited (RITL) with other group companies are given below		
Dividend income	-	19
Interest income	-	20,500
Dividend paid	50,440	185,105
Administration expenses paid	7,644	4,771
<i>Current account balance - 31st March</i>		
Amount due from	-	11,750
25 Guardian Capital Partners PLC		
GCPPLC (WIPLC) is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with Watapota Investments PLC (WIPLC) are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of Watapota Investments PLC (WIPLC) with other group companies are given below		
Dividend income	69,169	9,412
Interest income	2,179	3,999
Administration expenses paid	343	1,096
26 Ceylon Brewery PLC (CBPLC)		
Ceylon Brewery PLC (CBPLC) is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with Ceylon Brewery PLC (CBPLC) are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of with Ceylon Brewery PLC (CBPLC) with other group companies are given below		
Dividend income	206,597	85,702
Royalty income	79,582	61,950
Dividend paid	47,180	47,180
Interest income	-	9,219
<i>Current account balance - 31st March</i>		
Amount due from	91,982	72,890
Amount due to	2,282	25,980
27 Lion Brewery (Ceylon) PLC (LBCPLC)		
Lion Brewery (Ceylon) PLC (LBCPLC) is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with Lion Brewery (Ceylon) PLC (LBCPLC) are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of Lion Brewery (Ceylon) PLC (LBCPLC) with other group companies are given below		
Dividend income	1,577	-
Administration expenses paid	157,769	108,770
Royalty fees paid	79,582	61,950
Dividend paid	130,756	43,750
<i>Current account balance</i>		
Amount due from	11,639	33,680
Amount due to	5,571	5,627
Sale of beer	37,635	2,358

(Amounts expressed in Sri Lankan Rs.'000)

- (a) Messrs. H.Selvanathan (K.Selvanathan - Alternate Director to H. Selvanathan in Carlsberg India Private Limited Director of the Company, is also a Director of South Asian Breweries Pte Limited- Singapore and Carlsberg India Private Limited. R.E.Bagattini is a Director of Carlsberg India Private Limited. During the year the LBCPLC invested Rs.739,671,000/- (2010 - Rs.355,738,000/-) on equity shares of South Asian Breweries Pte Limited-Singapore.
- (b) The LBCPLC purchases a part of its requirement of the raw material rice from Ran Sahal (Pvt) Limited. The entire production of Ran Sahal (Pvt) Limited is exclusively sold to the LBCPLC. Towards this the LBCPLC advances funds to Ran Sahal (Pvt) Limited from time to time in lieu of pending purchases. As at the Balance Sheet date an amount of Rs.56,205,933/- (2010 - Rs.53,038,038/-) has been advanced to Ran Sahal (Pvt) Limited which remains to be settled from future purchases.

	2011	2010
28 CBL Retail Ltd		
CBL Retail Ltd is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with CBL Retail Ltd are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of CBL Retail Ltd with other group companies are given below		
Current account balance - 31st March		
Amount due to	101,392	72,890
29 Equity One PLC		
Equity One PLC is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with Equity One PLC are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of Equity One PLC with other group companies are given below		
Dividend income	-	13,635
Rental income	-	738
Administration expenses paid	1,572	1,572
Long term lending balance *	637,642	531,030
Current account balance - 31st March		
Amount due from	-	830,154
Amount due to	43,926	227,820
* These advance non-interest bearing, unsecured and repayable upon demand		
30 Equity Two PLC		
Equity Two PLC is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with Equity Two PLC are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of Equity Two PLC with other group companies are given below		
Rental income	16,717	12,749
Interest income	-	2,263
Administration expenses paid	852	852
Current account balance -		
Amount due from	31,378	31,720
31 Equity Three (Private) Limited		
Equity Three (Private) Limited is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with Equity Three (Private) Limited are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of Equity Three (Private) Limited with other group companies are given below		
Dividend paid	1,700	1,215
Administration expenses paid	414	414
Current account balance - 31st March		
Amount due from	12,548	12,249

(Amounts expressed in Sri Lankan Rs.'000)

	2011	2010
32 Pegasus Hotels of Ceylon PLC		
Pegasus Hotels of Ceylon PLC is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with Pegasus Hotels of Ceylon PLC are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of Pegasus Hotels of Ceylon PLC with other group companies are given below		
Administration expenses paid	10,222	222
Interest expenses paid	5,681	-
Long term lending balance	109,637	-
<i>Current account balance - 31st March</i>		
Amount due to	78,871	78,286
33 Equity Hotels Limited		
Equity Hotels Limited is a subsidiary of Bukit Darah PLC.		
i A summary of transaction of Bukit Darah PLC with Equity Hotels Limited Limited are as Follows:		
There were no transactions during the period	-	-
ii A summary of transaction of Equity Hotels Limited Limited with other group companies are given below		
Administration expenses paid	42	42
<i>Current account balance - 31st March</i>		
Amount due to	28,081	29,105

34 Carson Cumberbatch PLC has provided letters of comfort to the following subsidiaries confirming its intention to continue to provide financial and other support and meet liabilities to enable the subsidiaries to continue as going concern.

- i Carson Airline Services (Private) Limited - Wholly owned
- ii Carson Management Services (Private) Limited - Wholly owned
- iii Equity Hotels Limited - Wholly owned
- iv Equity Property Developers (Private) Limited
- v Equity Nine (Private) Limited
- vi Equity Developers (Private) Limited

(c) Transaction with Key Management Personnel (KMP)

According to Sri Lanka Accounting Standard 30 (Revised 2006) "Related Party Disclosures", key management personnel are those having authority and responsibility for planning and controlling the activities of the entity. Accordingly, the Directors of the Company and its parent company (including executive and Non Executive Director) and their immediate family members have been classified as KMP of the Company.

The compensation paid to key management Personnel and other short term employment benefits are disclosed in aggregate in Note 20 to the Financial Statements. No other payments such as post employment benefits, termination benefits and share based payments have been paid to key management personnel during the year.

49. DIRECTORS RESPONSIBILITY STATEMENT

Please refer page 29.

FIVE YEAR SUMMARY

(Amounts expressed in Sri Lankan Rs.'000)

Group

For the year ended	31st March 2011	31st March 2010	31st March 2009	31st March 2008	31st March 2007
Operating Results					
Revenue	37,727,528	23,865,375	17,090,940	15,608,223	9,620,950
Profit before taxation	13,000,716	8,267,477	3,145,465	4,492,728	2,791,801
Income tax expenses	2,845,107	1,660,227	580,879	1,136,938	691,857
Profit for the year	10,155,609	6,607,250	2,564,586	3,355,790	2,099,944
Minority interest - equity	6,901,344	3,704,604	1,842,645	2,150,491	1,288,303
Profit attributable to the shareholders of Bukit Darah PLC	3,254,265	2,902,646	721,941	1,205,299	811,641
CAPITAL EMPLOYED					
Stated capital	412,635	101,804	101,804	101,804	101,804
Reserves	13,658,297	12,736,409	7,854,119	8,624,709	7,212,998
	14,070,892	12,838,213	7,955,923	8,726,513	7,314,802
Minority shareholders equity interest	32,759,265	18,585,690	11,917,976	12,842,892	10,256,725
Investment through subsidiaries	(12,333)	(12,333)	(12,333)	(12,333)	(12,333)
Short-term and long-term borrowings	23,505,260	12,814,355	12,895,663	8,613,672	7,223,749
	70,323,084	44,225,925	32,757,229	30,170,744	24,782,943
ASSETS EMPLOYED					
Non-current assets	56,469,124	40,802,636	28,106,995	28,451,035	25,706,213
Current assets	21,433,904	10,264,723	10,251,174	7,135,542	4,611,526
	77,903,028	51,067,359	38,358,169	35,586,577	30,317,739
Current liabilities - excluding borrowings	(4,767,453)	(4,300,117)	(3,504,332)	(3,648,354)	(2,104,999)
Non-current liabilities	(773,052)	(873,229)	(816,816)	(658,918)	(1,673,847)
Deferred liabilities	(2,039,439)	(1,668,087)	(1,279,792)	(1,108,561)	(1,755,950)
	70,323,084	44,225,925	32,757,229	30,170,744	24,782,943
CASH FLOW STATEMENTS					
Net cash inflows/(outflows) from operating activities	4,889,314	3,200,718	1,307,552	3,669,990	827,465
Net cash used in investing activities	5,002,824	(5,210,205)	(2,843,461)	(2,577,294)	(4,443,055)
Net cash generated from/(used in) financing activities	9,859,179	9,025	3,464,071	(909,770)	2,075,683
Net (decrease)/increase in cash & cash equivalents	9,745,669	(2,000,462)	1,928,162	182,926	(1,539,907)
OPERATIONAL RATIOS					
Return on ordinary shareholders' funds (%)	23.04	22.53	9.07	13.73	10.99
Equity to total assets (%)	60.11	61.53	51.81	60.61	57.96
Asset turnover (times)	0.48	0.47	0.45	0.44	0.32
Revenue growth (%)	58.08	39.64	9.50	62.23	17.00
Asset growth (%)	52.55	33.13	7.79	17.38	30.45
Revenue to capital employed (times)	0.54	0.54	0.52	0.52	0.39
No. of employees	11,672	6,943	8,011	6,581	5,576
Revenue per employees (Rs.'000)	3,232	3,437	2,133	2,372	1,725
DEBT & GEARING RATIOS					
Interest cover (times)	16.32	10.60	4.82	6.40	6.24
Debt equity ratio (%)	50.19	40.78	64.89	39.93	41.11
Gearing ratio (%)	33.42	28.97	39.35	28.54	29.13
LIQUIDITY RATIOS					
Current ratio (times)	2.29	1.15	1.25	0.90	0.89
INVESTOR RATIOS					
Dividend cover (times)	3.53	3.78	-	23.96	14.61
Dividends per share (Rs.)	9.00	7.50	-	5.00	5.50
Rate of dividend (%)	90	75	-	50	55
Market value per share (Rs.)	1,174	3,000	790	1,400	1,339
Market capitalization (Rs.'000)	119,967,000	30,000,000	7,900,000	14,000,000	13,390,000
Earnings per share (Rs.)	31.78	28.35	7.08	11.82	7.96
Price earnings ratio (times)	36.93	105.81	10.94	11.69	16.66
Net assets per ordinary share (Rs.)	137.33	125.85	77.98	85.54	71.70

STATEMENT OF VALUE ADDED

(Amounts expressed in Sri Lankan Rs.'000)

Group

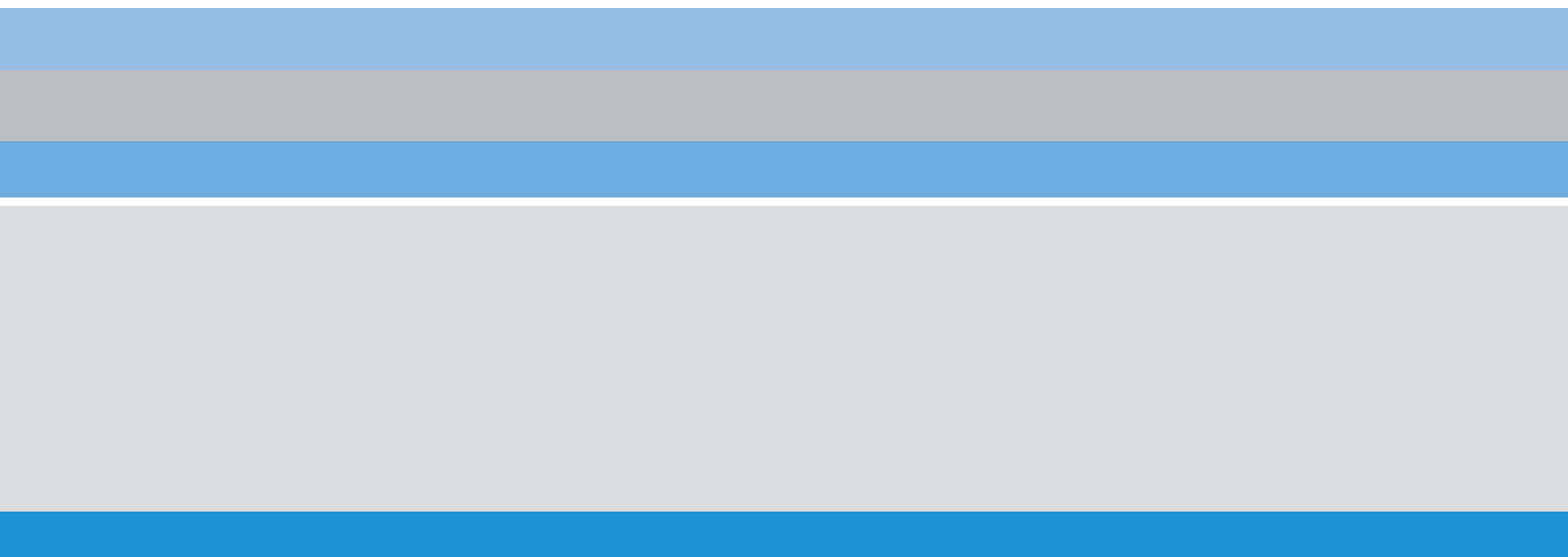
For the year ended	31st March 2011	31st March 2010	31st March 2009	31st March 2008	31st March 2007					
Revenue	37,727,528	23,865,375	17,090,940	15,608,223	9,620,950					
Other income	252,379	38,384	135,608	100,204	76,512					
	37,979,907	23,903,759	17,226,548	15,708,427	9,697,462					
Bought in materials and services	(13,466,421)	(7,295,734)	(3,824,277)	(3,587,112)	(2,023,339)					
	24,513,486	16,608,025	13,402,271	12,121,315	7,674,123					
	%	%	%	%	%					
Distributed as follows:										
To employees										
as remuneration	2,334,641	10	1,777,986	11	1,436,385	11	1,398,322	12	976,170	13
To Government										
as taxation - Sri Lanka	5,328,270	22	3,078,822	19	2,502,291	19	2,139,016	18	1,867,659	24
- Overseas	1,647,571	7	1,376,872	8	817,462	6	1,134,375	9	298,071	4
To providers of capital										
as finance cost on loans	774,234	3	684,011	4	1,057,027	8	832,961	7	539,058	7
as minority interest	6,901,344	28	3,704,604	22	1,842,645	14	2,150,491	18	1,288,303	17
as dividend to Shareholders	103,040	0	85,785	1	144	0	57,269	0	62,899	1
Retained in the business										
as depreciation	6,704,351	27	5,607,645	34	3,745,151	28	3,161,071	26	1,992,591	26
as retained profits	720,035	3	292,300	2	2,001,166	15	1,247,810	10	649,372	8
	24,513,486	100	16,608,025	100	13,402,271	100	12,121,315	100	7,674,123	100

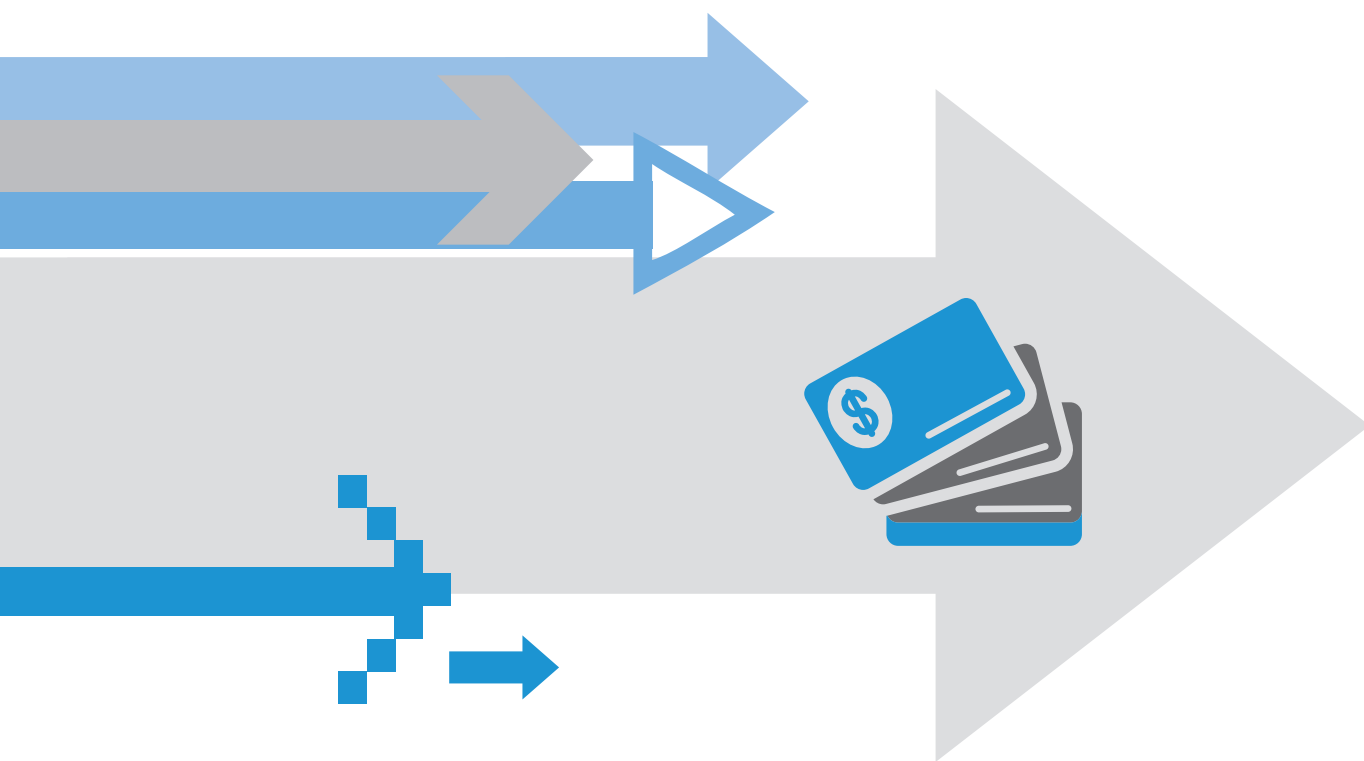
The Statement of Value Added shows the quantum of wealth generated by the operations of the Group and its applications.

Note

- The Statement of Value Added shows the quantum of wealth generated by the activities of the Companies within the Group, excluding its Associate Companies and its application.
- Value Added Tax, Economic Services Charge and Social Responsibility Levy are excluded in arriving at the above revenue. Therefore, total tax liability to the Sri Lankan Government during the year included the following:

	2011	2010	2009	2008	2007
Economic Services Charges	97,699	39,665	22,361	22,851	17,863
Value Added Tax	2,008,292	1,624,842	1,263,922	1,110,694	882,521
Social Responsibility Levy	39,575	45,025	39,628	981	605
Excise Duty included under net sales above	4,551,302	2,918,917	2,383,898	2,078,929	1,779,497
	6,696,868	4,628,449	3,709,809	3,213,455	2,680,486
Income tax	639,694	75,215	56,404	36,255	69,694
Total taxes paid to Government of Sri Lanka	7,336,562	4,703,664	3,766,213	3,249,710	2,750,180





US \$ FINANCIALS

Preparation of US Dollar Financials

The Financial Statements of the Group are reported in Sri Lankan Rupees. The translation of the Sri Lankan Rupees amounts into US Dollars is included solely for the convenience of Shareholders, Investors, Bankers and other users of Financial Statements. US Dollar Financials do not form part of the Audited Financial Statements of the Company.

INCOME STATEMENTS

(All figures in Notes are in US Dollars unless otherwise stated)

<i>For the year ended 31st March</i>	2011	Group 2010
Revenue	336,462,392	208,905,593
Direct operating expenses	(165,808,098)	(104,947,820)
	170,654,294	103,957,773
Gain on disposal of non current investments	199,260	(2,530)
Change in fair value of investment properties	269,758	23,967
Other income	2,250,771	335,994
Distribution expenses	(28,414,867)	(16,297,251)
Administrative expenses	(38,051,315)	(28,688,655)
Other operating expenses	(1,364,461)	(1,785,005)
Impairment of business assets	(25,756)	(95,588)
Mark to market value adjustments - Unrealized	5,338,188	2,645,886
Net realized gain on sale of investment	7,118,104	5,949,869
Finance expenses	(6,904,789)	(5,987,491)
Foreign exchange loss	4,874,057	12,305,926
Share of net results of Associate	-	6,482
Profit before taxation	115,943,244	72,369,376
Taxation - Current taxation	(20,398,332)	(12,710,846)
Deferred taxation	(4,974,958)	(1,821,954)
	(25,373,290)	(14,532,799)
Profit for the period	90,569,955	57,836,576
Profit Attributable to		
Owners of the Company	29,022,251	25,408,320
Non controlling interest	61,547,704	32,428,256
	90,569,955	57,836,576
Exchange Rates	112.13	114.24

Figures in brackets indicate deductions.

BALANCE SHEETS

(All figures in Notes are in US Dollars unless otherwise stated)

For the year ended 31st March	2011	Group 2010
Assets		
Non-Current Assets		
Property, plant & equipment	363,916,060	261,118,632
Investment properties	12,291,476	11,637,991
Intangible assets	7,311,721	7,172,096
Investment in associates	-	21,482
Long-term investments	122,665,506	69,938,920
Asset held-for-sale	-	1,473,684
Land compensation receivable	1,716,150	1,661,956
Deferred tax asset	3,594,774	4,893,096
Total non-current assets	511,495,687	357,917,858
Current Assets		
Inventories	39,231,694	28,285,447
Trade and other receivables	42,282,310	43,418,500
Tax receivables	948,904	494,632
Short-term investments	10,889,710	5,881,649
Cash and cash equivalents	100,795,063	11,961,202
Total current assets	194,147,681	90,041,430
Total assets	705,643,368	447,959,288
Equity		
Stated capital	3,762,724	1,099,153
Capital reserves	8,782,790	11,333,708
Revenue reserves	114,908,216	100,183,050
Total equity attributable to equity holders of the parent	127,453,731	112,615,911
Minority shareholders' equity interest	296,732,473	163,031,465
Total equity	424,186,204	275,647,376
Investment through subsidiaries	(111,712)	(108,184)
	424,074,492	275,539,192
Non-Current Liabilities		
Long-term borrowings	171,418,016	71,494,158
Trade and other payables	7,002,283	7,659,904
Retirement benefit obligations	3,026,205	1,950,816
Deferred tax liability	15,446,975	12,682,430
Total non-current liabilities	196,893,478	93,787,307
Current Liabilities		
Trade and other payables	34,318,678	31,373,649
Current tax liabilities	8,864,774	6,346,675
Long-term borrowings falling due within one year	20,144,783	20,401,956
Short-term borrowings	5,000,000	5,000,000
Bank overdraft	16,347,165	15,510,509
Total current liabilities	84,675,399	78,632,789
Total liabilities	281,568,877	172,420,096
Total equity and liabilities	705,643,368	447,959,288
Exchange Rates	110.40	114.00

This information does not constitute a full set of Financial Statements in compliance with SLAS.

GROUP DIRECTORATE - 2011

Oil Palm Plantation

<p>GOODHOPE ASIA HOLDINGS LTD. Directors: P.C.P. Tissera, Wong Gang, J. Mathavan S. Ramasamy (Resigned w.e.f. 15/07/2010)</p> <p>Alternate Directors: Tan Wei Shyan (for Wong Gang)</p>	<p>GOOD HOPE PLC Directors: H. Selvanathan (Chairman) M. Selvanathan, I. Paulraj, T. Rodrigo A.K. Sellayah, P.C.P. Tissera, D.C.R. Gunawardena</p> <p>Alternate Director: S. Mahendrarajah (for I. Paulraj)</p>	<p>AGRO HARAPAN LESTARI SDN. BHD. Directors: H. Selvanathan (Chairman) M. Selvanathan, D.C.R. Gunawardena (Relinquished duties & responsibilities and position as commissioner w.e.f. 15/04/2011) S. Ramasamy, (Resigned w.e.f. 15/07/2010) P.C.P. Tissera, J. Mathavan T.Y. Chan, Ms. J.M.S. Jayawickrama K.G.G. de Silva, M.R. Jiffrey C.A.V.S. Upasena</p> <p>Alternate Director: K. Selvanathan (for M. Selvanathan) S. Selvanathan (for H. Selvanathan)</p>
<p>SHALIMAR DEVELOPMENTS SDN. BHD. Directors: H. Selvanathan (Chairman) M. Selvanathan, T.K. Leong (Deceased on 23/03/2011) D.C.R. Gunawardena P.C.P. Tissera, S. Ramasamy (Resigned w.e.f. 15/07/2010) Ms. T.Y. Chan</p> <p>Alternate Directors: P.C.P. Tissera (for H. Selvanathan) K. Selvanathan (for M. Selvanathan)</p>	<p>PT AGRO ASIA PACIFIC Commissioners: H. Selvanathan (President Commissioner) M. Selvanathan D.C.R. Gunawardena</p> <p>Directors: P.C.P. Tissera (President Director) S. Ramasamy (Resigned w.e.f. 15/07/2010) J. Mathavan Kee Tian Joo (Resigned w.e.f 21/02/2011) C. S. Pakadang</p>	<p>PT AGRO BUKIT Commissioners: H. Selvanathan (President Commissioner) M. Selvanathan, I. Paulraj D.C.R. Gunawardena T. de Zoysa</p> <p>Directors: P.C.P. Tissera (President Director) S. Ramasamy (Vice President Director)- (Resigned w.e.f 15/07/2010) J. Mathavan, S. Bastaman C.S. Pakadang (Appointed w.e.f. 01/09/2010)</p>
<p>PT AGRO INDOMAS Commissioners: H. Selvanathan (President Commissioner) M. Selvanathan, I. Paulraj, Ms. M. Tjandrawinata W. Unamboowe, M. Ramachandran Nair T. de Zoysa D.C.R. Gunawardena</p> <p>Directors: P.C.P. Tissera S. Bastaman, J. Mathavan, S. Ramasamy (Resigned w.e.f. 15/07/2010) C.S. Pakadang (Appointed w.e.f. 06/09/2010)</p>	<p>PT KARYA MAKMUR SEJAHTERA Commissioners: H. Selvanathan (President Commissioners) M. Selvanathan D.C.R. Gunawardena</p> <p>Directors: P.C.P. Tissera (President Director) S. Ramasamy (Resigned w.e.f. 15/07/2010) J. Mathavan C.S. Pakadang</p>	<p>AGRO HARAPAN LESTARI (PRIVATE) LIMITED H. Selvanathan (Chairman) P.C.P. Tissera, J. Mathavan, S. Ramasamy (Resigned w.e.f. 15/07/2010) Ms. J.M.S. Jayawickrama, K.G.G. de Silva M.R. Jiffrey, C.A.V.S. Upasena</p> <p>Alternate Director: S. Selvanathan (for H. Selvanathan)</p>
<p>SHALIMAR (MALAY) PLC Directors: H. Selvanathan (Chairman) M. Selvanathan, I. Paulraj, D.C.R. Gunawardena, A.K. Sellayah P.C.P. Tissera, K.C.N. Fernando</p>	<p>AGRO ASIA PACIFIC LIMITED Directors: H. Selvanathan M. Selvanathan P.C.P. Tissera J. Mathavan Wong Gang Alternate Director: Tai Wei Shyan (for Wong Gang)</p>	<p>A H L BUSINESS SOLUTIONS (PRIVATE) LIMITED Directors: H. Selvanathan (Chairman) M. Selvanathan (Resigned w.e.f. 30/04/2010) P.C.P. Tissera - Appointed w.e.f 05/11/2010 J. Mathavan - Appointed w.e.f.05/11/2010 Ms. J.M.S. Jayawickrama K.G.G. de Silva M.R. Jiffrey</p>
<p>SELINSING PLC Directors: M. Selvanathan (Chairman) H. Selvanathan, C.F. Fernando, I. Paulraj D.C.R. Gunawardena P.C.P. Tissera</p>	<p>PT AGRO HARAPAN LESTARI Commissioners: H. Selvanathan (President Commissioner) M. Selvanathan (Vice President Commissioner) I. Paulraj, D.C.R. Gunawardena (Relinquished duties & responsibilities and position as commissioner w.e.f. 15/04/2011)</p> <p>Directors: P.C.P. Tissera (President Director) S. Ramasamy, (Resigned w.e.f. 03/06/2010) J. Mathavan Ms. J.M.S. Jayawickrama, K.G.G. de Silva M.R. Jiffrey, C.A.V.S. Upasena C.S. Pakadang</p>	<p>PT AGRAJAYA BAKTITAMA Commissioners: H. Selvanathan (President Commissioner) - Appointed w.e.f. 05/11/2010) M. Selvanathan - Appointed w.e.f. 05/11/2010 D.C.R. Gunawardena - Appointed w.e.f. 05/11/2010 Triadi Retnawan - Resigned w.e.f. 05/11/2010</p>
<p>INDO-MALAY PLC Directors: H. Selvanathan (Chairman) M. Selvanathan, I. Paulraj, D.C.R. Gunawardena, P.C.P. Tissera, K.C.N. Fernando</p> <p>Alternate Director: S. Mahendrarajah (for I. Paulraj)</p>		

Oil Palm Plantation

Directors:

P.C.P. Tissera - (President Director)
Appointed w.e.f 05/11/2010
J. Mathavan - Appointed w.e.f. 05/11/2010
C.S. Pakadan - Appointed w.e.f. 05/11/2010
Widyanti Astuti (Mrs.) - Resigned w.e.f
05/11/2010

PT RIM CAPITAL

Commissioners:

H. Selvanathan (President Commissioner)
M. Selvanathan
D.C.R. Gunawardena
S.C.P. Chelliah

Directors:

P.C.P. Tissera - (President Director)
S. Ramasamy (Resigned as Vice President
Director w.e.f. 15/07/2010)
Faizal Mathunni, J. Mathavan
C.S. Pakadang

PT AGRO WANA LESTARI

Commissioners:

H. Selvanathan (President Commissioner) -
Appointed w.e.f. 11/02/2011
M. Selvanathan - Appointed w.e.f
11/02/2011
D.C.R. Gunawardena - Appointed w.e.f.
11/02/2011
Triadi Retnawan - Resigned w.e.f
11/02/2011

Directors:

P.C.P. Tissera - (President Director)
Appointed w.e.f. 11/02/2011
J. Mathavan - Appointed w.e.f. 11/02/2011
C.S. Pakadang - Appointed w.e.f.
11/02/2011
Widyanti Astuti (Mrs.) - Resigned w.e.f.
11/02/2011

PT NABIRE BARU

Commissioners:

H. Selvanathan (President Commissioner) -
Appointed w.e.f. 05/11/2010
M. Selvanathan - Appointed w.e.f.
05/11/2010
D.C.R. Gunawardena - Appointed w.e.f.
05/11/2010
Triadi Retnawan - Resigned w.e.f.
05/11/2010

Directors:

P.C.P. Tissera - (President Director)
Appointed w.e.f. 05/11/2010
J. Mathavan - Appointed w.e.f. 05/11/2010
C.S. Pakadang - Appointed w.e.f.
05/11/2010
Widyanti Astuti (Mrs.) Resigned w.e.f.
05/11/2010

Investment Holding

CARSON CUMBERBATCH PLC

Directors:

T. de Zoysa (Chairman)
H. Selvanathan (Deputy Chairman)
M. Selvanathan, I. Paulraj
D.C.R. Gunawardena, S.K. Shah,
P.C.P. Tissera, V.P. Malalasekera,
M. Moonasinghe, F. Mohideen

Alternate Director:

K. Selvanathan (for M. Selvanathan)

CEYLON GUARDIAN INVESTMENT TRUST PLC

Directors:

I. Paulraj (Chairman)
D.C.R. Gunawardena
A. de Z. Gunasekera
V.M. Fernando
Mr. M.A.R.C. Cooray
K. Selvanathan (Appointed w.e.f.
16/12/2010)
C.W. Knight (Appointed w.e.f.
01/01/2011)

CEYLON INVESTMENT PLC

Directors:

I. Paulraj (Chairman)
D.C.R. Gunawardena
P.C.P. Tissera
A.P. Weeratunge
Mrs. M.A.R.C. Cooray
A. de Z. Gunasekera
V.M. Fernando
K. Selvanatha (Appointed w.e. f.
16/12/2010)

RUBBER INVESTMENT TRUST LIMITED

Directors:

I. Paulraj (Chairman)
D.C.R. Gunawardena
A.P. Weeratunga (Appointed w.e. f.
24/02/2010)

Alternate Director:

A.P. Weeratunge (for I. Paulraj)
A.P. Weeratunge (for D.C.R.
Gunawardena appointed w.e.f.
18/02/2011)

GUARDIAN CAPITAL PARTNERS PLC

Directors:

I. Paulraj (Chairman),
S. Mahendrarajah, D.C.R. Gunawardena

Alternate Director:

S. Mahendrarajah (for I. Paulraj)

WENIWELLA INVESTMENTS LIMITED

Directors:

I. Paulraj (Chairman)
S. Mahendrarajah

MYLANDS INVESTMENTS LIMITED

Directors:

I. Paulraj (Chairman)
D.C.R. Gunawardena, S. Mahendrarajah

LEECHMAN & COMPANY (PRIVATE) LIMITED

Directors:

H. Selvanathan, M. Selvanathan
S. Mahendrarajah

GUARDIAN FUND MANAGEMENT LIMITED

Directors:

I. Paulraj (Resigned w.e.f 19/04/2011)
D.C.R. Gunawardena (Resigned w.e.f
15/04/2011)
Mrs. W.Y.R. Fernando
Mrs. B.D. Niloo Jayatilaka (Appointed
w.e.f. 17/01/2011)
A.P. Weeratunge (Appointed w.e.f.
19/04/2011
K. Selvanathan (Appointed w.e.f.
19/04/2011)

Beverage	Real Estate	Leisure
<p>CEYLON BREWERY PLC Directors: L.C.R. de C. Wijetunge (Chairman) H. Selvanathan (Deputy Chairman) M. Selvanathan S. K. Shah (Chief Executive Officer) D.C.R. Gunawardena S. Hansen Alternate Director: G. Brockett (for S. Hansen)</p>	<p>EQUITY ONE PLC Directors: D.C.R. Gunawardena (Chairman) S. Nagendra, K.C.N. Fernando, E.H. Wijenaike, A.P. Weeratunge, S. Mahendrarajah, P.D.D. Fernando</p>	<p>PEGASUS HOTELS OF CEYLON PLC Directors: D.C.R. Gunawardena (Chairman) H. Selvanathan, M. Selvanathan S. Nagendra, P.M. Withana Alternate Directors: K.C.N.Fernando (for M.Selvanathan)</p>
<p>LION BREWERY (CEYLON) PLC Directors: L.C.R. de C. Wijetunge (Chairman) H. Selvanathan (Deputy Chairman) S. K. Shah (Chief Executive Officer) D.C.R. Gunawardena, Dato Voon Loong Chin D.S.P.N. C. P. Amerasinghe, C.T. Liyanage D. R. P. Goonetilleke, K. Selvanathan R. E. Bagattini Ms. S.J.F. Evans (Appointed w.e.f. 01/07/2010) Alternate Director: G. Brockett (for R. E. Bagattini) Y.F. Lew (for Dato V.L. Chin D.S.P.N appointed w.e.f. 01/02/2011)</p>	<p>EQUITY TWO PLC Directors: D.C.R. Gunawardena (Chairman) K.C.N. Fernando, A.P. Weeratunge, E.H. Wijenaike, P.D.D. Fernando</p>	<p>EQUITY HOTELS LIMITED Directors: D.C.R. Gunawardena (Chairman), P. M. Withana</p>
<p>CBL RETAILERS (PRIVATE) LIMITED Directors: S.K. Shah, C. P. Amerasinghe D.R.P. Goonetilleke</p>	<p>EQUITY THREE (PRIVATE) LIMITED Directors: I. Paulraj, C. F. Fernando, K. C. N. Fernando</p>	<p>CARSONS AIRLINE SERVICES (PRIVATE) LIMITED Directors: H. Selvanathan (Chairman) M. Selvanathan, D.C.R. Gunawardena Mrs. M.R. Perera</p>
<p>EQUITY SEVEN LIMITED Directors: D.C.R. Gunawardena, K.C.N. Fernando, A.P. Weeratunge</p>	<p>EQUITY LANDS (PRIVATE) LIMITED Directors: D.C.R. Gunawardena (Chairman) K.C.N. Fernando, A.P. Weeratunge</p>	
Hotels & Airlines	Management Services	
<p>PEGASUS HOTELS OF CEYLON PLC Directors: D.C.R. Gunawardena (Chairman) H. Selvanathan, M. Selvanathan S. Nagendra, P.M. Withana Alternate Directors: K.C.N. Fernando (for M.Selvanathan)</p>	<p>CARSONS MANAGEMENT SERVICES (PRIVATE) LIMITED Directors: H. Selvanathan (Chairman) M. Selvanathan, D.C.R. Gunawardena (Relinquished his duties and responsibilities w.e.f. 15/04/2011) S.K. Shah, P.C.P. Tissera, K.C.N. Fernando Ms. K.D.de Silva A.P. Weeratunge K.Selvanathan Alternate Director: P.C.P. Tissera (for H. Selvanathan)</p>	
<p>EQUITY HOTELS LIMITED Directors: D.C.R. Gunawardena (Chairman) P. M. Withana</p>		
<p>CARSONS AIRLINE SERVICES (PRIVATE) LIMITED Directors: H. Selvanathan (Chairman) M. Selvanathan, D.C.R. Gunawardena Mrs. M.R. Perera</p>		

VALUE OF REAL ESTATE & PROPERTIES

The values of land & buildings owned and leased by companies within the Group and which have been revalued by qualified valuers are indicated below together with the last date of valuation:

As at 31st March 2011

Company	Location	Extent (in acres)	Land & Building Market Value Rs:000	Book Value Rs:000	Date of last Valuation
Equity One PLC.	Colombo 7	0.60	657,000	657,000	31-Mar-11
Equity One PLC	Colombo 2	1.36	461,979	461,979	31-Mar-11
Equity One PLC	Mount - Lavinia	6.00	470,000	470,000	31-Mar-11
Equity One PLC	Mirihana	0.37	32,925	32,925	31-Mar-11
Equity Two PLC	Colombo 1	0.54	526,200	526,200	31-Mar-11
Equity Three (Private) Limited	Colombo 13	0.51	238,000	238,000	31-Mar-11
		9.38	2,386,104	2,386,104	
PT Agro Indomas * * * * *	Indonesia	66,060	15,358,977	2,852,607	31-Mar-11
PT Agro Bukit * * * * *	Indonesia	67,298	12,509,870	3,873,998	31-Mar-11
PT Karya Makmur Sejahtera * * * * *	Indonesia	26,854	2,520,234	768,357	31-Mar-11
PT Agro wana lastari * * * * *	Indonesia	40,617	3,150,514	1,072,700	31-Mar-11
PT Agro jaya Baktitama * * * * *	Indonesia	27,612	537,549	121,892	31-Mar-11
PT Rim * * * * *	Indonesia	9,715	1,465,041	310,362	31-Mar-11
Good Hope PLC	Malaysia	771	1,154,303	948,360	31-Mar-11
Selinsing PLC	Malaysia	1,218	1,648,212	1,409,045	31-Mar-11
Shalimar (Malay) PLC	Malaysia	756	1,497,741	1,338,395	31-Mar-11
Indo-Malay PLC	Malaysia	724	1,165,320	1,049,215	31-Mar-11
		241,625	41,007,761	13,744,930	
Ceylon Brewery PLC	Nuwara-Eliya	15.55	123,806	123,806	31-Mar-11
Lion Brewery (Ceylon) PLC	Biyagama	17.63	1,635,656	1,635,656	31-Mar-11
		33.18	1,759,462	1,759,462	
Pegasus Hotels of Ceylon Ltd.	Wattala	12.369	836,327	836,327	31-Mar-11
Equity Hotels Ltd. **	Giritale	14.91	18,096	18,096	31-Mar-11
		27.279	854,423	854,423	
Total value		344,258.84	37,132,906	18,744,919	

There has been no permanent reduction in the value of land & buildings which may require provision.

* These valuations have not been incorporated in the books of account.

** Leasehold property.

*** Includes all Leasehold property and biological assets.

GLOSSARY OF FINANCIAL TERMINOLOGY

A ACCOUNTING POLICIES

The specific principles, bases, conventions, rules and practices adopted by an entity in preparing and presenting Financial Statements.

ACCRUAL BASIS

Recognising the effects of transactions and other events when they occur without waiting for receipt or payment of cash or cash equivalent.

AMORTISATION

The systematic allocation of the depreciable amount of an intangible asset over its useful life.

ASSOCIATE

An associate is an entity, including an unincorporated entity such as a partnership, over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture.

C CAPITAL RESERVES

Reserves identified for specific purposes and considered not available for distribution.

CASH EQUIVALENTS

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

CONTINGENT LIABILITIES

Conditions or situations at the balance sheet date, the financial effect of which are to be determined by the future events which may or may not occur.

CURRENT RATIO

Current Assets over Current Liabilities

CAPITAL EMPLOYED

Shareholders' Funds plus Debt

CURRENT SERVICE COST

is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.

D DEFERRED TAXATION

The tax effect of timing differences deferred to/from other periods, which would only qualify for inclusion on a tax return at a future date.

DEPRECIATION

The systematic allocation of the depreciable amount of an asset over its useful life.

DIVIDENDS

Distribution of profits to holders of equity investments.

DIVIDEND COVER

Profit after tax divided by gross dividends. This ratio measures the number of times dividend is covered by the current year's distributable profits.

DIVIDEND YIELD

Dividend earned per share as a percentage of its market value.

DEBT/EQUITY RATIO

Debt as a percentage of Shareholders Funds

DIVIDEND PAYOUT RATIO

Total Dividend interest and Tax as percentage of Capital Employed

E EARNINGS PER SHARE (EPS)

Profit attributable to ordinary shareholders, divided by the number of ordinary shares in issue.

F FAIR VALUE

Fair value is the amount for which an asset could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction.

FINANCE LEASE

A contract whereby a lessor conveys to the lessee the right to use an asset for rent over an agreed period of time which is sufficient to amortise the capital outlay of the lessor. The lessor retains ownership of the asset but transfers substantially all the risks and rewards of ownership to the lessee.

G GROSS DIVIDENDS

The portion of profit inclusive of tax withheld distributed to shareholders.

GROUP

A group is a parent and all its subsidiaries.

I IMPAIRMENT

This occurs when recoverable amount of an asset is less than its carrying amount.

INTANGIBLE ASSET

An identifiable non-monetary asset without physical substance held for use in the production / supply of goods / services or for rental to others or for administrative purposes.

K KEY MANAGEMENT PERSONNEL

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

L LIQUID ASSETS

Assets that are held in cash or in a form that can be converted to cash readily, such as deposits with other banks, bills of exchange and treasury bills.

M MARKET CAPITALISATION

Number of Shares in issue at the end of the period multiplied by the Market price at end of period

N NET ASSETS

Total assets minus Current Liabilities minus Long Term Liabilities minus Minority Interest

NET ASSET VALUE PER SHARE

Shareholders' funds divided by the number of ordinary shares in issue.

NET DEBT

Net Debt minus (Cash plus Short Term Deposits)

P PARENT

A parent is an entity that has one or more subsidiaries.

PRICE EARNINGS RATIO (P/E RATIO)

Market price of an ordinary share divided by earnings per share (EPS).

R RETURN ON AVERAGE ASSETS (ROA)

Net income expressed as a percentage of average total assets, used along with ROE, as a measure of profitability and as a basis of intra-industry performance comparison.

RETIREMENT BENEFITS

Present value of a defined benefit obligation is the present value of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.

REVENUE RESERVE

Reserves set aside for future distribution and investment.

RETURN ON EQUITY

Profit after Tax as a percentage of Average Shareholder's Funds

RETURN ON CAPITAL EMPLOYED

Earning before interest and tax as percentage of Capital Employed

RELATED PARTIES

Parties where one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions, directly or indirectly.

S SHAREHOLDERS' FUNDS

Shareholders' funds consist of stated capital plus capital and revenue reserves.

SUBSIDIARY

A subsidiary is an entity, including an unincorporated entity such as a partnership, that is controlled by another entity (known as the parent).

SEGMENTS

Constituent business units grouped in terms of similarity of operations and location.

T TOTAL VALUE ADDED

The difference between revenue (including other income) and expenses, cost of materials and services purchased from external sources

TOTAL ASSETS

Fixed Assets plus Investments plus Non Current Assets plus Current Assets

V VALUE ADDED

Value added is the wealth created by providing banking services less the cost of providing such services. The value added is allocated among the employees, the providers of capital, to government by way of taxes and retained for expansion and growth.

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Ninety Fifth Annual General Meeting of Bukit Darah PLC will be held on Thursday the 30th day of June 2011 at 4.30 p.m. at the "Crystal Room", Upper Floor, Taj Samudra, No.25, Galle Face Centre Road, Colombo 3. for the following purposes :

1. To receive and adopt the Annual Report of the Board of Directors and the Financial Statements for the year ended 31st March 2011 together with the report of the Auditors thereon.
2. To re-elect Mr. M. Selvanathan who retires by rotation in terms of Articles 82 and 83 of the Articles of Association of the Company.
3. To re-appoint Messrs. KPMG Ford, Rhodes, Thornton & Company, Chartered Accountants as Auditors of the Company as set out in Section 154(1) of the Companies Act No. 07 of 2007 and to authorize the Directors to determine their remuneration.

By Order of the Board

CARSONS MANAGEMENT SERVICES (PVT) LIMITED

Secretaries

Colombo

26th May 2011

Notes :

1. *A member is entitled to appoint a proxy to attend and vote instead of him/herself. A proxy need not be a member of the Company. A Form of Proxy accompanies this Notice.*
2. *The completed Form of Proxy must be deposited at the Registered Office, No.61, Janadhipathi Mawatha, Colombo 1, not later than 4.30 p.m. on 28th June 2011.*
3. *A person representing a Corporation is required to carry a certified copy of the resolution authorizing him/her to act as the representative of the Corporation. A representative need not be a member.*
4. *The transfer books of the Company will remain open.*
5. **Security Check -**
We shall be obliged if the shareholders/proxies attending the Annual General Meeting, produce their National Identity Card to the security personnel stationed at the entrance lobby.

FORM OF PROXY

*I/ We.

of

being *a Member/Members of BUKIT DARAH PLC hereby appoint

.....

of.....bearing

NIC No./ Passport No or failing him/her

Hariharan Selvanathan	or failing him,
Manoharan Selvanathan	or failing him,
Israel Paulraj	or failing him,
Don Chandima Rajakaruna Gunawardena	or failing him,
Palehenalage Chandana Priyankara Tissera	or failing him,
Kurukulasuriya Calisanctus Nalake Fernando	

as *my/our proxy to attend at the 95th Annual General Meeting of the Company to be held on Thursday the 30th of June 2011 at 4.30 p.m., at the "Crystal Room", Upper Floor, Taj Samudra, No.25, Galle Face Centre Road, Colombo 3 and any adjournment thereof and at every poll which may be taken in consequence thereof.

	For	Against
(1) To adopt the Annual Report of the Board of Directors and the Financial Statements for the year ended 31st March 2011, together with the Report of the Auditors thereon.	<input type="checkbox"/>	<input type="checkbox"/>
(2) To re-elect Mr. M. Selvanathan who retires in terms of Article 82 & 83 of the Articles of Association of the Company.	<input type="checkbox"/>	<input type="checkbox"/>
(3) To re-appoint Messrs. KPMG Ford, Rhodes, Thornton & Company, Chartered Accountants as Auditors of the Company as set out in Section 154 (1) of the Companies Act. No. 07 of 2007 and to authorize the Directors to determine their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>

Signed this day of Two Thousand and Eleven.

Signature /s

Note: (a) * Please delete the inappropriate words.

(b) A shareholder entitled to attend and vote at a General meeting of the company, is entitled to appoint a proxy to attend and vote instead of him/her and the proxy need not be a shareholder of the company. A proxy so appointed shall have the right to vote on a show of hands or on a poll and to speak at the general meeting of the shareholders.

(c) A shareholder is not entitled to appoint more than one proxy to attend on the same occasion.

(d) Instructions are noted on the reverse hereof.

INSTRUCTIONS AS TO COMPLETION

1. Kindly perfect the form of proxy after filling in legibly your full name and address, by signing in the space provided. Please fill in the date of signature.
2. If you wish to appoint a person other than the Directors as your proxy, please insert the relevant details in the space provided overleaf.

3. In terms of Article 67 of the Articles of Association of the Company:

The instrument appointing a proxy shall be in writing and :

- (i) in the case of an individual shall be signed by the appointor or by his attorney; and
- (ii) in the case of a corporation shall be either under its common seal or signed by its attorney or by an officer on behalf of the corporation.

The Company may, but shall not be bound to, require evidence of the authority of any such attorney or officer.

A proxy need not be a member of the company.

4. In terms of Article 62 of the Articles of Association of the Company :

In the case of joint-holders of a share, the senior who tenders a vote, whether in person or by proxy or by attorney or by representative, shall be accepted to the exclusion of the votes of the other joint-holders and for this purpose seniority shall be determined by the order in which the names stand in the Register of members in respect of the joint holding.

5. To be valid the completed form of proxy should be deposited at the Registered Office of the Company situated at No. 61, Janadhipathi Mawatha, Colombo 1 not later than 4.30 p.m. on 28th June 2011.

Please fill in the following details

Name :

Address :

.....

Jointly with

Share folio no. :

CORPORATE INFORMATION

NAME OF THE COMPANY

Bukit Darah PLC

COMPANY REGISTRATION NO.

PQ 56

LEGAL FORM

A Public Quoted Company with Limited Liability Incorporated in Sri Lanka in 1916

DIRECTORS

Hari Selvanathan (Chairman)
Mano Selvanathan
Israel Paulraj
D. Chandima R. Gunawardena
P. C. P. Tissera
K. C. N. Fernando

ALTERNATE DIRECTOR

K. Selvanathan
(for Mr. M. Selvanathan)

AUDIT COMMITTEE

V. P. Malalasekera
D. C. R. Gunawardena

BANKERS

Standard Chartered Bank
Bank of Ceylon
Citibank NA
Commercial Bank of Ceylon PLC
HSBC
Indian Bank
Hatton National Bank PLC
Nations Trust Bank
Deutsche Bank
Public Bank
Pan Asia Bank

AUDITORS OF THE COMPANY

Messrs. KPMG Ford Rhodes, Thornton & Co
Chartered Accountants
32A, Mohamed Macan Markar Mawatha
Colombo 3

MANAGERS & SECRETARIES

Carsons Management Services (Pvt) Limited
61, Janadhipathi Mawatha
Colombo 1
Sri Lanka.
Tel: + 94 11 4739200
Fax: + 94 11 4739300

REGISTERED OFFICE

61, Janadhipathi Mawatha
Colombo 1
Sri Lanka.
Tel: + 94 11 4739200
Fax: + 94 11 4739300

Email

carsons@carcumb.com

CORPORATE WEBSITE

www.carsoncumberbatch.com

