



E. B. Creasy & Company PLC

Annual Report 2014/15

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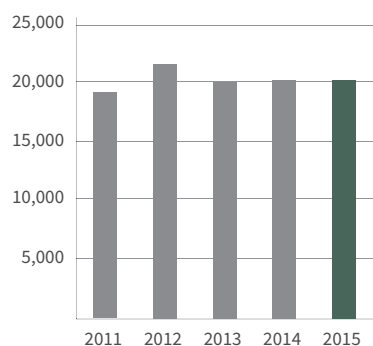
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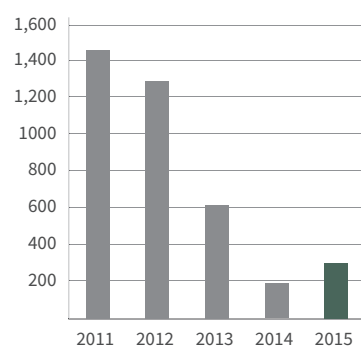
Financial Highlights

	2014/15 Rs. '000	2013/14 Rs. '000
Group Turnover	20,386,004	20,477,356
Group Profit Before Tax	310,910	182,043
Group Profit after Taxation	98,613	19,795
Net Profit Attributable to Equity Holders of the Parent	144,554	37,868
Value Added	3,605,671	3,024,808
Shareholder's Fund	3,311,006	3,214,934
Earnings per Share (Rs.)	57.02	14.94
Net Assets per Share (Rs.)	1,306.12	1,268.22
Market Value per Share (Rs.)	1,049.90	905.00
Dividend per Share (Rs.)	12.50	10.00
Dividend Payout Ratio (Rs.)	13.14	11.30

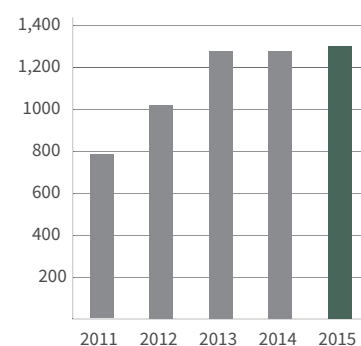
Group Turnover
(Rs. '000)



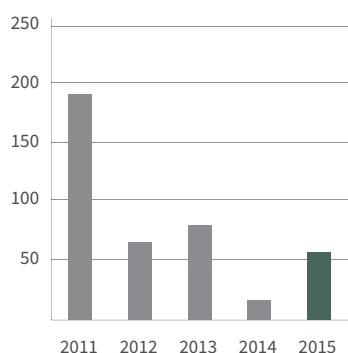
Group Profit/(Loss) Before Tax
(Rs. '000)



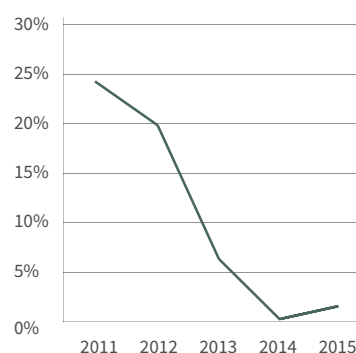
Net Assets per Share
(Rs. '000)



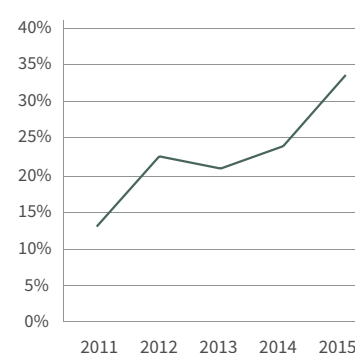
Earning per Share - Group
(Rs.)



Return on Equity - Group
(%)



Debt to Equity - Group
(%)



Notice of Meeting

Notice is hereby given that the Eighty Second Annual General Meeting of E. B. Creasy & Company PLC will be held at the Grand Oriental Hotel, No. 2, York Street, Colombo 1, on 30th September 2015, at 10.00 a.m. for the following purposes:

1. To receive and consider the Annual Report of the Board of Directors and the Statements of Accounts for the year ended 31st March, 2015 with the Report of the Auditors' thereon.
2. To declare a First and Final dividend as recommended by the Directors.
3. To re-elect as a Director Mr. A.R. Rasiah who retires in accordance with Articles 84 and 85 of the Articles of Association.
4. To reappoint Mr. R. N. Bopearatchy who is over seventy years of age as a Director.
Special Notice has been received from a shareholder of the intention to pass a resolution which is set out below in relation to his reappointment. (See Note No. 4)
5. To reappoint Mr. A. Rajaratnam who is over seventy years of age as a Director.
Special Notice has been received from a shareholder of the intention to pass a resolution which is set out below in relation to his reappointment. (See Note No. 5)
6. To reappoint Mr. A. M de S. Jayaratne who is over seventy years of age as a Director.
Special Notice has been received from a shareholder of the intention to pass a resolution which is set out below in relation to his reappointment. (See Note No. 6)
7. To reappoint Mr. R. Seevaratnam who is over seventy years of age as a Director.
Special Notice has been received from a shareholder of the intention to pass a resolution which is set out below in relation to his reappointment. (See Note No. 7)
8. To authorize the Directors to determine contributions to charities.
9. To reappoint as Auditors, KPMG, Chartered Accountants and authorise the Directors to determine their remuneration.

By Order of the Board,

Corporate Managers & Secretaries (Private) Limited
Secretaries

Colombo
28th August 2015

Notes:

1. A member of the Company who is entitled to attend and vote may appoint a proxy to attend and vote instead of him or her. A proxy need not be a member of the Company.
2. A Form of Proxy is enclosed for this purpose.
3. The instrument appointing a proxy must be deposited at the Registered Office of the Company's Secretaries at No. 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 1, not less than forty-eight hours before the time fixed for the meeting.
4. Special Notice has been received by the Company from a shareholder giving notice of the intention to move the following Resolution as an Ordinary Resolution at the Annual General Meeting:
Resolved -
"That Mr. R.N. Bopearatchy who is seventy four years of age be and is hereby reappointed a Director of the Company and it is further specially declared that the age limit of seventy years referred to in Section 210 of the Companies Act No. 7 of 2007 shall not apply to the said Director, Mr. R.N. Bopearatchy."
5. Special Notice has been received by the Company from a shareholder giving notice of the intention to move the following Resolution as an Ordinary Resolution at the Annual General Meeting:
Resolved -
"That Mr. A. Rajaratnam who is seventy four years of age, be and is hereby reappointed a Director of the Company and it is further specially declared that the age limit of seventy years referred to in Section 210 of the Companies Act No.7 of 2007 shall not apply to the said Director, Mr. A. Rajaratnam."
6. Special Notice has been received by the Company from a shareholder giving notice of the intention to move the following Resolution as an Ordinary Resolution at the Annual General Meeting:
Resolved -
"That Mr. A. M. de S. Jayaratne who is seventy five years of age, be and is hereby reappointed a Director of the Company and it is further specially declared that the age limit of seventy years referred to in Section 210 of the Companies Act No.7 of 2007 shall not apply to the said Director, Mr. A. M de S. Jayaratne."
7. Special Notice has been received by the Company from a shareholder giving notice of the intention to move the following Resolution as an Ordinary Resolution at the Annual General Meeting:
Resolved
"That Mr. R. Seevaratnam who is seventy two years of age, be and is hereby reappointed a Director of the Company and it is further specially declared that the age limit of seventy years referred to in Section 210 of the Companies Act No.7 of 2007 shall not apply to the said Director, Mr. R. Seevaratnam."

Chairman's Review

I take great pleasure in welcoming you to the Company's Eighty Second Annual General Meeting and presenting the Annual Report and Audited Financial Statements of your Company and its subsidiaries for the year ended 31st March, 2015.

During the current financial year the turnover of the Company increased by 21% to Rs. 3.21 Billion, mainly driven by the growth in performance of the Personal Care and Home Care Divisions. This increase resulted in a profit before tax of Rs. 300 Million, a 43% increase over last year's profit of Rs. 210 Million. However on account of the Rs. 73 Million increase in tax charges, the profit after tax grew by only 7% when compared to the previous year. The increase in the tax charge was due to the culmination of the income tax exemption granted under Section 21(A) of the Inland Revenue Act No. 10 of 2006 under which the Company benefitted during the past five years and the increase in the deferred tax charge for the year under review.

The Group recorded a consolidated turnover of Rs. 20.4 Billion for the year under review and a profit after tax of Rs. 98.61 Million, which is an increase of Rs. 78.8 Million vis-a-vis the previous year.

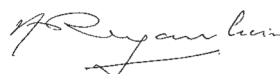
In compliance with the new Sri Lanka Financial Reporting Standard on Consolidated Financial Statements, our indirect investments in the Plantation sector have not been consolidated in this year's accounts. Instead these indirect investments have been treated as equity accounted investments.

The reduced consolidated turnover and the improved performance reflected in the Group accounts are as a result of the accounting treatment referred to earlier in this report. The non-consolidation of the results of the Plantation sector resulted in a lower Group turnover but had a positive impact on the Group's profitability. Apart from this, the improved performance of the Personal Care and Home Care Divisions of the Group also contributed very positively to the growth. The losses in the Leisure sector have had a negative impact on the profitability of the Group.

As earlier reported to the shareholders, the Company acquired a 100% stake of Lanka Special Steels Limited from Tata Steel Limited for a purchase consideration of Rs. 443 Million at the end of the financial year. I am pleased to report that the transfer of the Management of this Company to the Group has progressed well and we remain confident that it will contribute to the profitability of the Group.

Your Directors have recommended the payment of a first and final dividend of Rs. 20.00 per share, which is an increase of 60% over the dividend paid last year. I remain confident that the Company and the Group will continue to grow in profitability in the years ahead.

All our employees throughout the Group worked with dedication and commitment to enable the Group to achieve the satisfactory results of this year. I extend my thanks and appreciation to all of them. I also wish to thank all our stakeholders for their trust and confidence in the Group and to my colleagues on the Board for their valuable support and counsel at all times.



A. Rajaratnam
Chairman

Board of Directors

A. Rajaratnam - FCA

Chairman

Mr. A. Rajaratnam joined the Board in 1988 and was appointed Chairman in the year 2003. He serves as Chairman of The Colombo Fort Land & Building PLC (CFLB) and several listed and unlisted companies within the CFLB Group in addition to holding other Directorships within the Group. Mr. Rajaratnam is a Fellow of the Institute of Chartered Accountants of Sri Lanka.

S.D.R. Arudpragasam - FCMA (UK)

Managing Director

Mr. S.D.R. Arudpragasam was appointed to the Board in 1988 and as Managing Director in 1989. He serves as Chairman of several subsidiaries of The Colombo Fort Land & Building PLC. He holds the position of Deputy Chairman on the Boards of The Colombo Fort Land & Building PLC (CFLB) and Lankem Ceylon PLC in addition to serving on the Boards of other Companies within the CFLB Group. Mr. Arudpragasam is a Fellow of the Chartered Institute of Management Accountants (U.K.)

S. Rajaratnam - B.Sc., CA

Deputy Managing Director

Mr. S. Rajaratnam was appointed to the Board and as Deputy Managing Director in the year 2006. He holds a Bachelor of Science Degree in Business Administration from Boston College, U.S.A. and is a member of the Institute of Chartered Accountants in Australia. He has been associated with overseas companies in the field of Finance. He also serves on several Boards of The Colombo Fort Land & Building Group.

R.C.A. Welikala

Director

Mr. R. C. A. Welikala was appointed to the Board in the year 2000. He has extensive experience in marketing of fast moving consumer goods and has successfully developed key brands in the E.B. Creasy Group to market leadership positions. He also holds other Directorships within The Colombo Fort Land & Building Group.

R.N. Bopearatchy - B.Sc. (Cey.), Dip. BM, MBA (Univ. of Col)

Director

Mr. R. N. Bopearatchy was appointed to the Board in the year 2000. He has considerable expertise in product development, manufacturing and marketing of pesticides, pharmaceuticals and consumer products. Soon after graduation he was employed in Research

in the Plant Pathology Division of the Tea Research Institute and subsequently joined Chemical Industries Colombo Limited and was appointed to its Board. He also served on the Boards of Crop Management Services (Pvt) Ltd. the managing agents for Mathurata Plantations Ltd., CIC Fertilizers Ltd. and Cisco Speciality Packaging (Pvt) Limited. He has held office as the Chairman of the Pesticide Association of Sri Lanka, the Toxicological Society of Sri Lanka and the International Mosquito Spiral Manufacturers Association (IMSMA). Mr. R.N. Bopearatchy serves as a Director in several Companies in The Colombo Fort Land & Building Group.

He holds a Bachelor of Science degree from the University of Ceylon and a Masters in Business Administration from the University of Colombo and a Diploma in Business Management from NIBM.

P.M.A. Sirimane - FCA, MBA

Director

Mr. P. M. A. Sirimane joined the E.B. Creasy Group in October, 2009 and was appointed to the Board in November, 2009. Amongst other senior positions he has functioned as Managing Director/CEO of Mercantile Leasing Ltd., Group Finance Director of United Tractor & Equipment Ltd., Chief Financial Officer, Sri Lanka Telecom Ltd. and Director SLT Hong Kong Ltd. He has served as a Member of several Committees of the Institute of Chartered Accountants of Sri Lanka and was an ex-officio member of the International Leasing Association. Mr. Sirimane serves on the Boards of some of the subsidiaries of the E.B. Creasy Group. He also holds several other Directorships. He is a Fellow of the Institute of Chartered Accountants of Sri Lanka and also holds a Masters in Business Administration from the University of Swinburne, Victoria Australia.

A.R. Rasiah - B.Sc. (Cey.), FCA

Director

Mr. A. R. Rasiah was appointed to the Board as an Independent Non-Executive Director in June, 2010. He is a Science Graduate of the University of Ceylon and a Fellow of the Institute of Chartered Accountants of Sri Lanka. He possesses well over 40 years of experience in Finance at a very senior level both internationally and locally. He currently serves on some of the Boards of The Colombo Fort Land & Building Group, Ceylon Cold Stores PLC, Nations Trust Bank PLC and MTD Walkers PLC. He is a former (retired) Finance Director of Nestle (Lanka) PLC. He has been a visiting lecturer on Finance and Accounts for Nestle SA for Africa-Asian and Oceanic Regions. Mr. Rasiah is the Chairman of

Ceylon Pencil Company Ltd. and a past lecturer for MBA students on Finance at the Post Graduate Institute of Management (PIM). He is a former President of the Benevolent Society of the Institute of Chartered Accountants of Sri Lanka and a Committee Member of Sri Lanka Institute of Directors.

**S.N.P. Palihena - FCIB (UK), FIB (SL),
Post Grad. Dip. Bus. & FA
Director**

Mr. S.N.P. Palihena was appointed to the Board as an Independent Non-Executive Director in June, 2010. He is a Fellow of the Chartered Institute of Bankers – London, and a Fellow of the Institute of Bankers – Sri Lanka. He also has a Post Graduate Diploma in Business and Financial Administration. In addition to serving on the Board of E. B. Creasy & Company PLC and some of its subsidiaries he also serves on the Board of a subsidiary of The Colombo Fort Land & Building PLC. Mr. Palihena currently holds Directorships in Softlogic Finance PLC, SMB Leasing PLC.

He was a former Chief Executive Officer/General Manager of Bank of Ceylon and has had a distinguished banking career spanning almost forty years at the Bank of Ceylon. He has also worked at the National Development Bank of Sri Lanka for a period of over three years. Mr. Palihena is a former Director of the DFCC Bank.

**Dr. A.M. Mubarak - B.Sc. (Hons) (Cey), Ph.D.(Cantab)
Director**

Dr. Mubarak was appointed to the Board as an Independent Non-Executive Director on 2nd September, 2013. He is a former Director and Chief Executive Officer of the Industrial Technology Institute has more than 25 years of experience in Research and Development.

Dr. Mubarak graduated from the University of Colombo with first class honours in Chemistry and holds a Ph. D. from the University of Cambridge U.K. He did his Post-doctoral research at the University of Maryland, College Park Campus and Royal Institute of Technology, Stockholm. Dr. Mubarak a Commonwealth Scholar is a Fellow of the National Academy of Sciences, Sri Lanka and the Institute of Chemistry, Ceylon. He is a past President of the Institute of Chemistry, Ceylon a past General President of the Sri Lanka Association for the Advancement of Science and the current Vice President of the National Academy of Sciences, Sri Lanka.

He has served on the Boards/Councils of the University of Colombo, Post Graduate Institute of Science, Sri Lanka Institute of Advance Technological Education, National Engineering Research & Development Centre, Sri Lanka Accreditation Board and National Authority, Chemical Weapons Convention. Dr. Mubarak had served in many Presidential and Ministerial Task Forces dealing with Science & Technology.

**A.M. de S. Jayaratne - B.Sc. (Econ.)
FCA (Eng.and Wales) FCA (ICASL)
Director**

Mr. A.M. de S. Jayaratne was appointed to the Board as an Independent Non-Executive Director on 1st April, 2014. He is a former Chairman of Forbes & Walker Ltd, Colombo Stock Exchange, Ceylon Chamber of Commerce and The Finance Commission. He also served as Sri Lanka's High Commissioner in Singapore. Mr. Jayaratne is a Director of several listed and unlisted companies. He holds a Bachelor of Science degree in Economics and is a Fellow of the Institute of Chartered Accountants of England and Wales and of Sri Lanka.

**R. Seevaratnam - B.Sc. (Lond.),
FCA (Eng.and Wales) FCA (ICASL)
Director**

Mr. R. Seevaratnam was appointed to the Board as an Independent Non-Executive Director on 1st April, 2014. He was a former senior partner of KPMG. Mr. Seevaratnam is a Director of several listed and unlisted companies. He is a Fellow of The Institute of Chartered Accountants of England and Wales and of Sri Lanka and holder of a General Science Degree from the University of London.

**S.W. Gunawardena - B.Sc., MBA
Director**

Mr. S. W. Gunawardena joined the Company in 2002. He is currently the Head of the Home Care Division and has initiated many new businesses. He was appointed to the Board as an Executive Director on 1st April, 2014. Prior to joining the Company he had served in leading mercantile establishments in Sri Lanka and overseas.

Mr. Gunawardena holds a Bachelor of Science degree from the University of Colombo and a Masters in Business Administration from the Postgraduate Institute of Management, University of Sri Jayewardenapura.

Group Profile

The House of E. B. Creasy was founded in 1878 by Edward Bennet Creasy and incorporated as a limited liability company in 1929, becoming quoted on the local Stock Exchange in 1968. The Company is among the pioneers of The Ceylon Chamber of Commerce having joined in 1890, while Darley Butler – a wholly-owned subsidiary - enjoys the distinction of being one of the three oldest members since 1852.

Over the years E. B. Creasy has expanded by organic growth as well as by strategic acquisitions and now constitutes a diversified Group spanning a wide spectrum of activities ranging from import, export, distribution and freight forwarding to formulating trading in chemicals and hoteliering.

E. B. Creasy & Company PLC

The main activities are manufacture of consumer disposables, marketing of hardware and automotive accessories, solar powered lighting systems for rural electrification.

The Hardware and Automotive Accessories Marketing Division has an island-wide dealer network which distributes products imported from well-known foreign principals as well as locally manufactured items comprising automotive batteries, aerosol paints, abrasive papers and water pumps. The renewable Energy Division imports and installs solar home lightening and agro water pumping systems.

The Consumer Products Manufacturing Division produces a range of disposable razors, toothbrushes, mosquito coils and joss sticks which are market leaders.

Darley Butler & Co. Ltd.

Being the consumer marketing subsidiary of the Group it has one of the most extensive marketing and distribution systems in the country. It has one of the largest teams of professional sales representatives backed by a fleet of commercial vehicles and a long-established network of stockists.

The company markets a diverse range of fast moving consumer goods, which are some of the most prestigious household brand names in the country. The company has embarked on several new products under the Laxapana Brand as well as under their own proprietary brands which have been very successful. The company envisages entering several identified strategic markets in the future.

E. B. Creasy Logistics Ltd.

The company is engaged in the movement of commercial cargo as well as household effects on a door-to-door basis utilizing its long-established international agency network of customs house agents.

Creasy Foods Ltd.

Is the manufacturer of a range of medicated confectionery under licence from Cadbury Schweppes PLC of UK. The company has diversified its activities and now produces flavoured sweets as well under the brand name of Candyman.

Laxapana Batteries PLC

The company was incorporated as a public limited liability company in 1956. Carried on business under the name of Elephant Lite Corporation Ltd. previously. It was quoted on the Colombo Stock Exchange in 1982. The Company markets Zinc Chloride and Alkaline type batteries and CFL bulbs. The Company has also introduced GLS Bulbs and Safety Wax Matches under Laxapana brand name.

Muller & Phipps (Ceylon) PLC

The Company is serving as an agent representative in Sri Lanka for foreign Pharmaceutical companies and operates in importing, wholesale and distribution of pharmaceuticals.

Lanka Special Steels Limited

Lanka Special Steels Limited is in the business of manufacturing, exporting and also a dealer in galvanized wire, nail wire, galvanized barbed wire, and all other varieties of steel wire, wire rods, and related products.

Lankem Ceylon PLC

The business areas comprise of Agri-Inputs, Paints, Chemicals, Bitumen, Consumer, Construction and PEST control and Packaging.

The Agrochemicals Division formulates, packs and distributes a well-accepted range of insecticides, herbicides, fungicides and foliar nutrients. This Division is long established and trusted by the rural community as the 'Farmers' Friend'.

The product portfolio of Lankem Paints comprises of Decorative Coatings, Auto Refinish, Wood Coatings, Epoxy Coatings, Nc-based Coatings and the Epoxy Adhesive Segments.

The Bitumen Division Supplies produces road construction materials and is also involved in water proofing

Lankem consumer produces and distributes household and personal care products.

Lankem Chemicals comprises of three Sectors namely Industrial Chemicals, Thinners and Feed Ingredients .

Sigiriya Village Hotels PLC

The Company is the owner of "Sigiriya Village" which has elegantly-designed cottages, decorated with themes symbolic of village life. The Hotel is situated in close proximity to the Sigiriya 'lion rock' which stands out majestically overlooking the lush green surroundings. The gardens of Sigiriya Village have been landscaped to merge with the natural environment, complimenting the scenic beauty and enhancing the peaceful aura of a rural village. The Hotel strategically located in the heartland of the Cultural Triangle enables guests to visit other historical cities and see original works of art, archaeological treasures.

Beruwala Resorts PLC

Colombo Fort Hotels Ltd. is the holding Company of Beruwala Resorts PLC, which owns newly furnished 'The Palms' located by the side of the southern coast of Sri Lanka.

Galle Fort Hotel (Pvt) Ltd.

Colombo Fort Hotels Ltd. is the holding company of the Galle Fort Hotel (Pvt) Ltd. Galle Fort Hotel is a boutique property

Marawila Resorts PLC

This Company owns the Club Palm Bay Hotel situated in a beautifully-landscaped site of around 21 acres at Marawila, with clusters of cabanas located towards the water front. It is run on the Club Concept on an all inclusive basis. It offers a range of facilities including sports, with the largest swimming pool in the country, discotheque, air-conditioned bar and speciality restaurants. Its banquet hall could cater to a wide spectrum of functions.

C. W. Mackie PLC

Main activities of the Company are export and sell locally of thick pale crepe rubber (TPC), ribbed smoked sheet rubber (RSS) and desiccated coconut. Import

and wholesale distribution of sugar to industrial users. Import and sale of welding equipment and consumables and light engineering products, refrigeration and air-conditioning components and marine paints and protective coatings. Marketing and selling of branded consumer products manufacturing and bottling of 'Sunquick' range of fruit squashes and bottling of drinking water under 'Scan' brand for internal distribution.

Enterprise Governance

Corporate Governance

Corporate Governance create, enhance and sustain value to its stakeholders. The E.B. Creasy Group is committed to upholding the trust placed by the stakeholders. The Corporate Governance processes supports Business Governance enabling companies to focus on Strategic Direction, Implementation and Risk.

Given below is a demonstration as to how we adhere to good Corporate Governance practices recommended by the Institute of Chartered Accountants of Sri Lanka and the listing rules of the Colombo Stock Exchange.

1. The Board of Directors

Board, Composition and Meetings

The Board comprises of the Chairman, Managing Director, Deputy Managing Director and nine other Directors who possess expertise in the fields of Finance, Management and Marketing.

Names of Directors

Mr. A. Rajaratnam (Chairman)	-	Executive
Mr. S.D.R. Arudpragasam (Managing Director)	-	Executive
Mr. S. Rajaratnam (Deputy Managing Director)	-	Executive
Mr. R.N. Bopearatchy	-	Non-Executive
Mr. R.C.A. Welikala	-	Executive
Mr. P.M.A. Sirimane	-	Executive
Mr. A.R. Rasiah	-	Independent Non-Executive
Mr. S.N.P. Palihena	-	Independent Non-Executive
Dr. A.M. Mubarak	-	Independent Non- Executive
Mr. A.M. de S. Jayaratne	-	Independent Non- Executive
Mr. R. Seevaratnam	-	Independent Non- Executive
Mr. S.W. Gunawardena	-	Executive

Decision Making of the Board

In addition to attending Board Meetings, matters are referred to the Board and decided by Resolutions in writing. The Board met three times during the year under review.

Responsibilities of the Board :

- Determining the strategic direction of the Company and also setting the corporate values.
- Implementation and review of business strategy .
- Ensuring of an effective internal control system and a proactive risk management system.
- Ensuring compliance with ethical, legal, health, environment and safety standards.
- Approval of Interim and Annual Financial Statements.
- Ensuring succession arrangements of the Board and top management are focused on and determining remuneration of senior executives.
- Approval of budgets, corporate plans, major capital investments, divestments and acquisitions
- Ensure all stakeholder interests are considered in corporate decisions
- Ensuring that the Company's values and standards are set with emphasis on adopting appropriate accounting policies and compliance with financial regulation.

Company Secretaries and Independent Professional Advice

The Company and all the Directors may seek advice from Corporate Managers & Secretaries (Private) Limited who are qualified to act as Secretaries as per the provisions of the Companies Act No. 07 of 2007. Advice is also sought from independent external professionals whenever Board deems it necessary.

Independent Judgement

The Board is committed to exhibit high standards of integrity and independence of judgement. Each Director dedicates the time and effort necessary to carry out his responsibilities.

Financial Acumen

The Board includes seven Finance Professionals who possess the knowledge and the competence to offer the Board the necessary guidance on matters relating to Finance.

Board Balance

The Board comprises of six Non- Executive Directors of whom five are Independent and six Executive Directors.

The Non-Executive Directors have submitted declarations of their independence or non-independence to the Board.

Mr. A.R. Rasiah and Mr. S.N.P.Palihena and Dr. A.M. Mubarak are Directors on the Boards of some of the subsidiaries of the Company in which a majority of the Directors of the Company are Directors. Mr. Rasiah and Mr. Palihena also serve on the Boards of certain subsidiaries of the Company's Parent Company, The Colombo Fort Land and Building PLC. However the Board having taken into consideration all other circumstances listed in the Rules pertaining to the Criteria for defining Independence is of the opinion that Mr. A.R. Rasiah, Mr. S.N.P. Palihena and Dr. A.M. Mubarak are nevertheless Independent.

Although Mr. A.M. de S. Jayaratne is a Director of the Parent Company, (PC) The Colombo Fort Land and Building PLC and on the Boards of some of its subsidiaries, the Directors having taken into consideration all other circumstances listed in the Rules pertaining to the Criteria for defining Independence is of the opinion that Mr. A.M. de S. Jayaratne is nevertheless Independent.

Although Mr. R. Seevaratnam is a Director of the Parent Company, (PC) The Colombo Fort Land and Building PLC and on the Board of a subsidiary of the Company, the Directors having taken into consideration all other circumstances listed in the Rules pertaining to the Criteria for defining Independence is of the opinion that Mr. R. Seevaratnam is nevertheless Independent.

Supply of Information

Directors are furnished with monthly reports on Performance comprising of Financial Statements and such other Reports and documents as are necessary.

Apart from Board Meetings the Key Management Personnel meet regularly to monitor the performance of the varied business segments, to review the progress towards achieving the budgets. Prompt corrective action is being taken after discussing the operational issues.

At Board Meetings the Directors are informed of important decisions taken at the aforementioned meetings in relation to routine operational matters for a final decision. Other matters of relevance to the Industries in which the Company operates are also conveyed to the Board.

Appointments to the Board

The Board as a whole decides on the appointments of Directors in accordance with the Articles of Association of the Company and in compliance with rules of Governance. The details of new appointments to the Board are made available to the shareholders by making announcements to the Colombo Stock Exchange.

Re-election of Directors

The Company's Articles of Association require any Director appointed by the Board excluding Executive Directors to hold office until the next Annual General Meeting at which he seeks re-election by the Shareholders.

The Articles of Association require one third or a number nearest to one third of the Directors in office to retire at each Annual General Meeting. The Directors to retire in each year are those who have been longest in office since their last election. Retiring Directors are eligible for re-election by the Shareholders.

A Director appointed to the office of Chairman or Managing Director or Joint Managing Director does not retire by rotation.

2. Directors Remuneration

Remuneration Committee

The Remuneration Committee Report is set out on page 11.

Disclosure of Remuneration

Aggregate remuneration paid to Directors is disclosed in Note 27(d) to the Financial Statements on page 82.

3. Relations with Shareholders

Constructive use of AGM /General Meetings

The Board considers the Annual General Meeting/ General Meetings an opportunity to communicate with shareholders and encourages their participation. The Board offers clarification and responds to concerns shareholders have over the contents of the Annual Report as well as other matters which are relevant to the Company.

Others

The Company's principal communicator with all its stakeholders are its Annual Report and Quarterly

Enterprise Governance

Financial Statements. The Company also maintains a website (www.ebcreasy.com) which offers any individual or a body corporate, information on the Company and its activities.

Major Transactions

There have been no transactions during the year under review which fall within the definition of "Major Transactions" as set out in the Companies Act.

Price Sensitive Information

Due care is exercised with respect to share price sensitive information.

4. Accountability and Audit

Financial Reporting

The Board places emphasis on complete disclosure of financial and non-financial information within the bounds of commercial reality. This enables both existing and prospective shareholders to make fair assessment on the Company's performance and future prospects. The Financial Statements are prepared in accordance with Sri Lanka Accounting Standards.

Disclosures

The Annual Report of the Board of Directors is given on pages 14 to 16 in this Report. The Auditor's Report on the Financial Statements is given on page 18 of this Annual Report. Non Financial Information of business segments are given on pages 83 to 84.

Going Concern

The Directors are of the belief that the Company is capable of operating in the foreseeable future after the adequate assessment of the Company's financial position and resources. Therefore the Going Concern principle has been adopted in the preparation of Financial Statements.

Internal Control

The Board of Directors is responsible for the Company's system of internal controls and for reviewing its effectiveness. The system is designed to safeguard assets against unauthorized use or disposal and to ensure that proper records are maintained. It includes all controls including financial, operational and compliance controls and risk management.

However any system can ensure only reasonable and not absolute assurance that errors and irregularities are prevented or detected within a reasonable timeframe.

Audit Committee

The Audit Committee Report is set out on pages 12 to 13 of this Report.

5. Others

Rights of Employees/Other Stakeholders

The Company identifies the rights of employees. Several employee performance enhancing mechanisms such as performance appraisals and training initiatives are in place for the career building of the employees.

The constant responsiveness to all stakeholders interests will ensure that the Governance process will continue to add value in the future.

Remuneration Committee Report

The Remuneration Committee consists of the following members:

Mr. A.R. Rasiah	- Chairman (Independent Non-Executive Director)
Mr. S.N.P. Palihena	- Member (Independent Non-Executive Director)
Mr. A.M. de S. Jayaratne	- Member (Independent/Non-Executive Director)

The Committee is responsible for recommending remuneration packages for the key management and senior management personnel. In addition they lay down guidelines and parameters for the compensation structure of the management staff.

The Managing Director assists the Committee by providing relevant information and participating in the deliberations of the Committee.

The key objective of the committee is to attract, motivate and retain qualified and experienced personnel and to ensure that the remuneration of executives at each level of management is competitive and are rewarded in a fair manner based on their performance.



A.R. Rasiah
Chairman

Remuneration Committee
28th August, 2015

Audit Committee Report

The Audit Committee Report focuses on the activities of the Company for the year under review, which the Committee has reviewed and monitored as to provide additional assurance on the reliability of the Financial Statements through a process of independent and objective views.

Composition

The Company's Audit Committee consists of Independent Non-Executive Directors of E. B. Creasy & Company PLC.

The Committee members are as follows,

Mr. A.R. Rasiah	- Chairman (Independent Non-Executive Director - EBCPLC)
Mr. A.M. de S. Jayaratne	- Member (Independent Non-Executive Director -EBCPLC)
Mr. S.N.P. Palihena	- Member (Independent Non-Executive Director - EBCPLC)

The Chairman of the committee, Mr. A.R. Rasiah, is an Independent Non-Executive Director, and a finance professional with over 40 years of experience in Finance at a very senior level both internationally and locally. He is a Fellow member of the Institute of Chartered Accountants of Sri Lanka.

Brief profiles of each member are given on pages 04 & 05 of this Annual Report. Their individual and collective financial knowledge and business acumen and the independence of the Committee, are brought to bear on their deliberations and judgments on matters that come within the Committee's purview.

The Company's Secretaries, Corporate Managers and Secretaries (Private) Limited function as the Secretaries to the Audit Committee.

Role of the Audit Committee

The Audit Committee reviews and advises the Company to ensure that the Financial Reporting system is in adherence with the Sri Lanka Accounting Standards and other regulatory and statutory requirements. It also reviews the adequacy of internal controls and the business risks.

The Committee also reviewed the financial reporting system adopted by the Group in the preparation of its Quarterly and Annual Financial Statements to ensure reliability of the processes and consistency of the accounting policies and methods adopted and compliance thereof with the Sri Lanka Accounting Standards laid down by The Institute of Chartered Accountants of Sri Lanka. The methodology included obtaining statement of compliance by the Head of Finance and Directors-in-Charge of operating units. The Committee recommends the Financial Statements to the Board of Directors for its deliberation and issuance. The Committee in its evaluation of the Financial Reporting System also recognized the adequacy of the content and the quality of routine management information and reports forwarded to its members.

Internal Audit Risk and Control

The Committee reviews the adequacy of internal audit coverage for the Company and the internal audit plans of the Group. The Company's internal audit function is headed by the Manager Internal Audit and the Manager Internal Audit regularly reports to the Committee on the adequacy and effectiveness of internal controls in the Company and compliance with rules and regulations and established policies of the Company

The Committee ensures the independence of the External Auditors and confirms the compliance with the requirements under the Companies Act No. 7 of 2007 in relation to appointment, re-appointment and removal of the External Auditors. The Committee makes recommendations to the Board as appropriate. The External Auditors are duly appointed by the shareholders at the Annual General Meeting of each year. Further, the Audit Committee reviewed the management letter issued by the External Auditors and the management comments.

Meetings and Attendance

The Audit Committee has met on four occasions during the year ended 31st March, 2015 and the attendance of the Committee was as follows:

Mr. A.R. Rasiah	-	(4/4)
Mr. A.M. De S. Jayaratne	-	(4/4)
Mr. S.N.P. Palihena	-	(4/4)

Senior Management Personnel of the Company are invited to the meeting as and when required. The

Audit Committee Report

Proceedings of the Audit Committee are reported to the Board of Directors.

External Auditors were present when appropriate.

Audit Committees – Listed Subsidiary Companies

All listed subsidiaries have appointed their own Audit Committees. These Audit Committees function independently of the Audit Committee of E. B. Creasy & Company PLC but have similar terms of reference.

External Audit

The Company has appointed KPMG as its external auditor and the service provided by them are segregated between audit/assurance services and other advisory services such as tax consultancy.

The Audit Committee has determined that KPMG Auditors are independent on the basis that they do not carry out any management-related functions of the Company. The Audit Committee also reviews the professional fees of the external auditors.

The Audit Committee has concurred to recommend to the Board of Directors the re-appointment of KPMG as Auditors for the financial year ending 31st March, 2016 subject to the approval of the shareholders at the Annual General Meeting.

Sri Lanka Accounting Standards

The Committee continued to monitor the progress of the mandatory implementation of Sri Lanka Accounting Standards (SLFRS/LKAS) which converged with International Financial Reporting Standards (IFRS) effective from 1st January, 2012.

The Committee reviewed the revised policy decisions relating to adoption of new and revised Sri Lanka Accounting Standards (SLFRS/LKAS) applicable to the Group Companies and made recommendation to the Board of Directors.

The Committee would continue to monitor the compliance with relevant Accounting Standards and keep the Board of Directors informed at regular intervals. The committee has pursued the support of Messrs. KPMG in monitoring the compliance with relevant new and revised Sri Lanka Accounting Standards (SLFRS/LKAS) applicable to the Group Companies.

Conclusion

The Audit Committee is of the view that adequate controls are in place to safeguard the Company's assets and that the financial position and the results disclosed in the audited accounts are free from any material misstatements.



A.R. Rasiah
Chairman

Audit Committee
28th August, 2015

Annual Report of the Board of Directors

The Board of Directors of E. B. Creasy & Company PLC present their Report on the affairs of the Company together with the Audited Financial Statements for the year ended 31st March, 2015.

The details set out herein provide the pertinent information required by the Companies Act No. 07 of 2007 and the Colombo Stock Exchange Listing Rules and are guided by recommended best practices.

Principal Activities, Business Review/Future Developments

The principal activities of the Company together with those of its subsidiary companies are described in the Group Profile. A review of the Company's business and its performance during the year with comments on financial results and future developments is contained in the Chairman's Review, and Group Profile sections of this Annual Report. These reports together with the Financial Statements reflect the state of affairs of the Company.

The Directors to the best of their knowledge and belief confirm that the Company has not engaged in any activities that contravene laws and regulations.

Financial Statements

The Financial Statements of the Company are given on pages 20 to 93

Auditors' Report

The Auditors' Report on the Financial Statements is given on pages 18 and 19

Accounting Policies

The accounting policies adopted in the preparation of the Financial Statements are given on pages 25 to 39 and these accounting policies have been consistently applied to all the years presented in these Financial Statements.

Interest Register

Directors' Interest in Transactions

The Directors have made general disclosures as provided for in Section 192 (2) of the Companies Act No. 07 of 2007. Arising from this, details of contracts in which they have an interest are disclosed in Note 27 (b) to the Financial Statements on page 80.

Directors' Interest in Shares

The Directors of the Company who have an interest in the shares of the Company have disclosed their shareholdings and any acquisitions/disposals to the Board in compliance with Section 200 of the Companies Act No. 07 of 2007.

Details pertaining to Directors direct shareholdings are set out below:

Name of Director	No. of Shares as at 31.03.2015	No. of Shares as at 31.03.2014
Mr. S.D.R. Arudpragasam	2,000	2,000

Directors' Remuneration

Directors' remuneration in respect of the Group for the financial year 2014/15 is given in Note 27 (d) to the Financial Statements on page 82 (2013/14- Rs. 286.78 million) and in respect of the Company for the financial year 2014/15 is Rs. 144.58 million (2013/14 - Rs. 130.02 million).

Corporate Donations

Donations made by the Group amounted to Rs. 3.9 million (2013/14 - Rs. 1.6 million).

Directorate

The names of the Directors who held office during the financial year and who are currently in office are listed below. Brief profiles of the Directors appear on pages 4 and

Mr. A. Rajaratnam	- Chairman
Mr. S.D.R. Arudpragasam	- Managing Director
Mr. S. Rajaratnam	- Deputy Managing Director
Mr. R.N. Boppearatchy	- Director
Mr. R.C.A. Welikala	- Director
Mr. P.M.A. Sirimane	- Director/ Chief Financial Officer
Mr. A.R. Rasiah	- Director
Mr. S.N.P. Palihena	- Director
Dr. A. M. Mubarak	- Director
Mr. A. M. De S. Jayaratne	- Director
Mr. R. Seevaratnam	- Director
Mr. S. W. Gunawardena	- Director

In terms of Articles 84 and 85 of the Articles of Association Mr. A.R. Rasiah retires by rotation and being eligible offers himself for re-election.

Mr. R.N. Boppearatchy who is over seventy years of age retires and offers himself for reappointment under and by virtue of a Special Notice received from a shareholder of the Company which is referred to in the Notice of Meeting.

Mr. A. Rajaratnam who is over seventy years of age retires and offers himself for reappointment under and by virtue of a Special Notice received from a shareholder of the Company which is referred to in the Notice of Meeting.

Mr. A. M. de S. Jayaratne who is over seventy years of age retires and offers himself for reappointment under and by virtue of a Special Notice received from a shareholder of the Company which is referred to in the Notice of Meeting.

Mr. R. Seevaratnam who is over seventy years of age retires and offers himself for reappointment under and by virtue of a Special Notice received from a shareholder of the Company which is referred to in the Notice of Meeting.

Auditors

The Financial Statements of the Company for the year have been audited by KPMG, Chartered Accountants, the retiring Auditors who have expressed their willingness to continue as Auditors of the Company and are recommended for reappointment. A resolution to reappoint them and to authorize the Directors to determine their remuneration will be proposed at the Annual General Meeting.

The Auditors, KPMG were paid Rs. 12.93 million during the year under review (2013/14 - Rs. 10.44 million) as audit fees and fees for audit-related services by the Group. In addition, they were paid Rs. 2.7 million (2013/14 - Rs. 1.9 million) by the Group for non-audit related work, which consisted mainly of tax related work.

In addition to the above, Group companies are engaged with other audit firms. Audit fees in respect of these firms amounted to Rs. 1.7 million during the year under review (2013/14 - Rs. 2.2 million).

As far as the Directors are aware the Auditors do not have any relationship (other than that of an Auditor) with the Company. The Auditors do not have any interest in the Company.

Revenue

The revenue of the Group for the year was Rs. 20,386.00 million (2013/14 - Rs. 20,477.36 million).

Results

The Group made a profit before tax of Rs. 310.91 million against a loss of Rs. 182.04 million in the previous year. The detailed results are given in the Statement of Profit or Loss and other Comprehensive Income on page 20.

Dividends

The Board of Directors have recommended the payment of a first and final dividend of Rs. 20 per share on the ordinary shares of the Company for the year ended 31st March, 2015 for approval by the shareholders at the Annual General Meeting to be held on 30th September 2015. The Directors have confirmed that the Company satisfies the solvency test requirement under Section 56 of the Companies Act No. 07 of 2007 for the dividend proposed. A solvency certificate has been sought from the Auditors in respect of the aforementioned dividend.

Investments

Investments made by the Group are given in Notes 12.2.2 and 12.3 on pages 53 to 54.

Property, Plant & Equipment

During 2014/15, the Group invested Rs. 1,247.67 million in Property, Plant & Equipment (2013/14 - Rs. 717.59 million). Further, your Directors are of the opinion that the net amounts at which land and other Property, Plant & Equipment appear in the Statement of Financial Position are not greater than their market value as at 31st March, 2015.

Stated Capital

The stated capital of the Company as at 31st March, 2015 was Rs. 25.73 million and is represented by 2,535,458 issued and fully-paid ordinary shares. There was no change in the stated capital during the year.

Reserves

The total Group reserves as at 31st March, 2015 comprised of capital reserves on consolidation of Rs. 126.72 million, general reserve of Rs. 6.3 million and retained earnings of Rs. 3,152.27 million whereas the total Group reserves as at 31st March, 2014 comprised

Annual Report of the Board of Directors

of capital reserve on consolidation of Rs. 126.72 million, general reserves of Rs. 21.68 million and retained earnings of Rs. 3,040.81 million.

The movements are shown in the Statement of Changes in Equity in the Financial Statements.

Taxation

The Group's liability to taxation has been computed in accordance with the provisions of the Inland Revenue Act No. 10 of 2006 and subsequent amendments thereto.

Income Tax and other taxes paid and liable by the Group are disclosed in Notes 5 and 22 on pages 42 and 69

Share Information

Information relating to earnings, dividend, net assets, market value per share and share trading is given on pages 95 and 96

Events Occurring after the Reporting Date

Events occurring after the Reporting date that would require adjustments to or disclosures are disclosed in Note 32 on page 87.

Capital Commitments and Contingent Liabilities

Capital commitments and contingent liabilities as at the Reporting date are disclosed in Note 29 and 30 on pages 84 and 85

Employment Policy

The Company's recruitment and Employment Policy is non-discriminatory. The occupational, health and safety standards receive substantial attention. Appraisal of individual employees are carried out in order to evaluate their performance and realize their potential. This process benefits the Company and the employees.

Shareholders

It is the Company's policy to endeavour to ensure equitable treatment to its shareholders.

Statutory Payments

The Directors to the best of their knowledge and belief are satisfied that all statutory payments due in relation to employees and the Government have been made.

Environmental Protection

The Company's business activities can have direct and indirect effects on the environment. It is the Company's policy to minimize any adverse effect its activities have on the environment and to promote co-operation and compliance with the relevant authorities and regulations. The Directors confirm that the Company has not undertaken any activities which have caused or are likely to cause detriment to the environment.

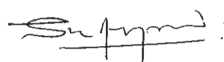
Internal Control

The Board of Directors take overall responsibility for the Company's Internal Control System. A separate Internal Audit section has been set up to review the effectiveness of the Company's internal controls in order to ensure reasonable assurance that assets are safeguarded and all transactions are properly authorized and recorded. The Board reviews the recommendations of External Auditors and takes appropriate action to maintain an adequate internal control system.

Going Concern

The Board of Directors after making necessary inquiries and reviews including reviews of the Company's budget for the subsequent year, capital expenditure requirements, future prospects and risks, cash flows and borrowing facilities have a reasonable expectation that the Company has adequate resources to continue its operations in the foreseeable future. Therefore, the going concern basis has been adopted in the preparation of the Financial Statements.

For and on behalf of the Board,



S.D.R. Arudpragasam
Managing Director



R.C.A. Welikala
Director

By Order of the Board,



**Corporate Managers
& Secretaries (Private) Ltd.**
Secretaries

28th August, 2015

Financial Reports

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Statement of Changes in Equity	22
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Notes to the Financial Statements	40

Independent Auditors' Report



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(Chartered Accountants)
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TO THE SHAREHOLDERS OF E.B. CREASY & COMPANY PLC

Report on the Financial Statements

We have audited the accompanying financial statements of E.B. Creasy & Company PLC, ("the Company") and the consolidated financial statements of the company and its subsidiaries ("the Group"), which comprise the statement of financial position as at 31st March 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and, statement of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information set out on pages 20 to 93

Board's Responsibility for the Financial Statements

The Board of Directors ("Board") is responsible for the preparation of these financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards, and for such internal control as Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend

on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the company and its subsidiaries as at 31st March 2015, and of its financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Emphasis of Matter

Without qualifying our opinion we draw attention to Note 34 to the financial statements regarding the matters that may cast significant doubt that the respective Group Companies will be able to continue as a going concern.

Report on Other Legal and Regulatory Requirements

As required by section 163 (2) of the Companies Act No. 07 of 2007, we state the following:

a) The basis of opinion and scope and limitations of the audit are as stated above.

b) In our opinion :

- We have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company,
- The financial statements of the company give a true and fair view of its financial position as at 31st March 2015, and of its financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.
- The financial statements of the Company and the Group comply with the requirements of section 151 and 153 of the Companies Act No.07 of 2007.



Chartered Accountants

Colombo.
28th August 2015

KPMG, 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.

M.R. Mihular 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	R.M.D.B. Rajapakse ACA	Ms. B.K.D.T.N. Rodrigo ACA
R.H. Rajan ACA		

Principals - S.R.I. Perera FCMA(UK), LLB, Attorney-at-Law, H.S. Goonewardene ACA

Statement of Profit or Loss and Other Comprehensive Income

	Note	GROUP		COMPANY	
		2015 Rs. '000	2014 Rs. '000 Restated	2015 Rs. '000	2014 Rs. '000
<i>For the Year ended 31st March,</i>					
Revenue	1	20,386,004	20,477,356	3,208,607	2,642,684
Cost of Sales		(14,772,214)	(15,247,068)	(2,033,486)	(1,698,494)
Gross Profit		5,613,790	5,230,288	1,175,121	944,190
Other Income	2	175,379	251,744	35,568	44,649
Share of Results of Equity Accounted Investees		(64,649)	(23,830)	-	-
Selling and Distribution Expenses		(2,421,345)	(2,224,005)	(443,179)	(377,810)
Administrative Expenses		(2,382,693)	(2,263,765)	(396,520)	(312,031)
Other Expenses		(62,457)	(147,846)	-	-
Impairment of Goodwill	11.1.2	(24,544)	-	-	-
Net Finance Expenses	3	(522,571)	(640,543)	(70,822)	(88,664)
Profit before Taxation	4	310,910	182,043	300,168	210,334
Tax Expenses	5	(212,297)	(162,248)	(59,107)	14,041
Profit for the Year		98,613	19,795	241,061	224,375
Other Comprehensive Income/ (Expense)					
Net Change in Fair Value of					
Available-for-sale Financial Assets		59,074	18,460	491	138
Share of Other Comprehensive Income of Equity Accounted Investees		(45,445)	(7,741)	-	-
Defined Benefit Plan Actuarial Gain/ (Losses)		(15,604)	58,901	(4,940)	(2,712)
Deferred Tax on Defined Benefit Plan Actuarial Losses		4,004	-	1,383	-
Other Comprehensive Income/ (Expense) for the Year Net of Tax		2,029	69,620	(3,066)	(2,574)
Total Comprehensive Income for the Year		100,642	89,415	237,995	221,801
Profit/ (Loss) Attributable to:					
Equity Holders of the Parent		144,554	37,868	241,061	224,375
Non-controlling Interest		(45,941)	(18,073)	-	-
Profit for the Year		98,613	19,795	241,061	224,375
Total Comprehensive Income/ (Expense) Attributable to:					
Equity Holders of the Parent		142,073	74,126	237,995	221,801
Non-controlling Interest		(41,431)	15,289	-	-
Total Comprehensive Income/ (Expense) for the Year		100,642	89,415	237,995	221,801
Earnings Per Share (Rs.)	6	57.02	14.94	95.09	88.51
Dividend Per Share (Rs.)	7	12.50	10.00	12.50	10.00

The Accounting Policies and Notes on pages 25 to 93 form an integral part of the Financial Statements.

Figures in brackets indicate deductions.

Statement of Financial Position

As at 31st March,	Note	GROUP			COMPANY	
		2015 Rs. '000	2014 Rs. '000 Restated	2013 Rs. '000 Restated	2015 Rs. '000	2014 Rs. '000
ASSETS						
Non-Current Assets						
Property, Plant & Equipment	8	8,285,179	6,790,742	6,482,601	1,181,137	1,072,403
Investment Property	9	67,574	72,569	52,856	-	-
Leasehold Right to Land	10.1	-	-	2,312	-	-
Biological Assets	10.2	-	-	-	-	-
Intangible Assets	11	594,108	441,206	441,522	-	-
Investments in Subsidiaries	12.1	-	-	-	1,057,518	614,736
Financial Assets Available-for-Sale	12.2	536,601	640,012	479,288	2,350	1,606
Investment in Equity Accounted Investees	13	536,426	646,521	629,146	-	-
Defined Benefit Obligations Plan Assets	23	132,256	127,622	118,788	-	-
Deferred Tax Asset	22.1	70,738	72,050	45,632	-	-
		10,222,882	8,790,722	8,252,145	2,241,005	1,688,745
Current Assets						
Inventories	14	3,310,453	3,086,769	2,956,127	583,167	589,253
Amount Due from Related Companies	15	338,768	305,424	245,029	626,455	167,781
Trade and Other Receivables	16	5,171,337	5,122,567	4,975,695	166,878	183,621
Investment Classified as Fair Value through Profit or Loss	12.3	197,246	180,075	307,956	-	-
Cash & Cash Equivalents	17.1	618,355	500,644	398,041	54,692	108,747
		9,636,159	9,195,479	8,882,848	1,431,192	1,049,402
Total Assets		19,859,041	17,986,201	17,134,993	3,672,197	2,738,147
EQUITY AND LIABILITIES						
Equity						
Stated Capital	18	25,731	25,731	25,731	25,731	25,731
Capital Reserves	19.1	126,715	126,715	126,715	-	-
General Reserves	19.2	6,290	21,679	21,679	9,548	9,548
Retained Earnings		3,152,270	3,040,809	3,045,954	1,350,243	1,143,941
Equity Attributable to Equity Holders of the Company		3,311,006	3,214,934	3,220,079	1,385,522	1,179,220
Non-Controlling Interest		2,983,509	3,388,168	3,498,507	-	-
Total Equity		6,294,515	6,603,102	6,718,586	1,385,522	1,179,220
Non-Current Liabilities						
Interest-Bearing Loans and Borrowings	20.1	2,111,533	1,583,225	1,414,430	138,613	245,971
Deferred Income and Capital Grants	21	22,688	25,436	27,497	-	-
Deferred Tax Liability	22.2	268,894	149,310	123,876	48,319	1,249
Retirement Benefit Obligations	23	515,342	506,004	503,085	143,703	192,064
		2,918,457	2,263,975	2,068,888	330,635	439,284
Current Liabilities						
Interest-Bearing Loans and Borrowings	20.2	4,998,354	3,085,588	2,727,740	1,128,900	349,131
Current Taxation Payable		119,140	84,980	93,705	11,478	4,833
Trade and Other Payables	24	3,449,837	3,184,282	2,938,823	509,303	508,471
Amount Due to Related Companies	25	647,989	972,205	1,072,925	79,981	37,859
Bank Overdrafts	17.2	1,430,749	1,792,069	1,514,326	226,378	219,349
Total Current Liabilities		10,646,069	9,119,124	8,347,519	1,956,040	1,119,643
Total Equity and Liabilities		19,859,041	17,986,201	17,134,993	3,672,197	2,738,147

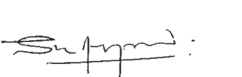
The Accounting Policies and Notes on pages 25 to 93 form an integral part of these Financial Statements.

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


P.M.A. Sirimane
 Chief Financial Officer

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

These Financial Statements were approved and signed for and on behalf of the Board of Directors of E. B. Creasy & Company PLC.


S.D.R. Arudpragasam
 Director


R.C.A. Welikala
 Director

28th August, 2015, Colombo

Statement of Changes in Equity

GROUP

	Attributable to Equity Holders or Parent					Non-Controlling Interest Rs. '000	Total Rs. '000
	Stated Capital Rs. '000	Capital Reserves on Consolidation Rs. '000	General Reserve Rs. '000	Retained Earnings Rs. '000	Total Rs. '000		
Balance as at 1st April 2013 (as previously reported)	25,731	126,715	21,679	3,084,865	3,258,990	5,649,676	8,908,666
Effect on adoption of SLRFS 10-Consolidated Financial Statement - Note 35	-	-	-	(38,911)	(38,911)	(2,151,170)	(2,190,081)
Restated balance as at 01st April 2013	25,731	126,715	21,679	3,045,954	3,220,079	3,498,507	6,718,586
Adjustment Due to Change in Holding	-	-	-	(53,916)	(53,916)	(34,990)	(88,906)
Dividend Payment - Ordinary Shares	-	-	-	(25,355)	(25,355)	(90,638)	(115,993)
Total Comprehensive Income for the Year							
Profit for the Year	-	-	-	37,868	37,868	(18,073)	19,795
Other Comprehensive Income for the Year	-	-	-	36,258	36,258	33,362	69,620
Balance as at 31st March 2014	25,731	126,715	21,679	3,040,809	3,214,934	3,388,168	6,603,102
Adjustment Due to Change in Holding	-	-	-	1,080	1,080	(38,182)	(37,102)
Dividend Payment - Ordinary Shares	-	-	-	(31,693)	(31,693)	(68,652)	(100,345)
Acquisition of Subsidiary	-	-	-	-	-	(256,393)	(256,393)
Transfer of Reserves	-	-	(15,389)	-	(15,389)	-	(15,389)
Total Comprehensive Income for the Year							
Profit / (Loss) for the Year	-	-	-	144,554	144,554	(45,941)	98,613
Other Comprehensive Income for the Year	-	-	-	(2,480)	(2,480)	4,509	2,029
Balance as at 31st March 2015	25,731	126,715	6,290	3,152,270	3,311,006	2,983,509	6,294,515

Company

	Stated Capital Rs. '000	General Reserve Rs. '000	Retained Earnings Rs. '000	Total Rs. '000
Balance as at 1st April 2013	25,731	9,548	947,495	982,774
Total Comprehensive Income				
Profit for the Year	-	-	224,375	224,375
Other Comprehensive Income for the Year	-	-	(2,574)	(2,574)
Dividend for the Year	-	-	(25,355)	(25,355)
Balance as at 31st March 2014	25,731	9,548	1,143,941	1,179,220
Total Comprehensive Income				
Profit for the Year	-	-	241,061	241,061
Other Comprehensive Income for the Year	-	-	(3,066)	(3,066)
Dividend for the Year	-	-	(31,693)	(31,693)
Balance as at 31st March 2015	25,731	9,548	1,350,243	1,385,522

The Accounting Policies and Notes on pages 25 to 93 form an integral part of the Financial Statements.

Figures in brackets indicate deductions.

Statement of Cash Flow

	GROUP		COMPANY	
	2015 Rs. '000	2014 Rs. '000 Restated	2015 Rs. '000	2014 Rs. '000
<i>For the Year ended 31st March,</i>				
A. Cash Generated from Operations				
Profit Before Tax	310,910	182,043	300,168	210,334
Adjustments for:				
Depreciation on Property, Plant and Equipment	466,737	424,190	100,584	92,566
Provision for Impairment on Property Plant & Equipment	89,668	20,136	9,479	-
Profit on Disposal of Property, Plant & Equipment	(23,921)	(26,893)	(454)	(3,831)
Finance Cost	-	-	87,094	-
Depreciation on Investment property	4,995	4,806	-	-
Gain/(Loss) on Translation of Foreign Currency	13,121	17,562	-	-
Impairment of Goodwill	24,544	-	-	-
Share of Results of Equity	64,649	(23,830)	-	-
Profit on Disposal of Investments	(9,000)	(76)	-	-
Provision for Bad and Doubtful Debts	145,666	5,232	-	-
Provision for Bad and Doubtful Related Party	29,806	105	484	277
Provision for Obsolete Inventories	(24,398)	19,518	17,281	(2,293)
Provision for Retiring Benefit Obligation	110,197	100,012	36,358	32,322
Amortization of Deferred Income and Capital Grants	(2,748)	(2,061)	-	-
Interest Income	(38,047)	(84,789)	(1,229)	(4,373)
Dividend Received	(9,847)	(6,181)	(27,984)	(27,803)
Interest Expenses	651,808	874,887	87,094	120,389
Amortization of Lease Hold Land	-	88	-	-
Provision for Impairment on Lease Hold Land	-	2,225	-	-
Amortization of Software	57	120	-	-
	1,804,197	1,507,094	521,780	417,588
(Increase)/Decrease in Inventories	273,055	(129,251)	(11,196)	(6,586)
(Increase)/Decrease in Trade and other Receivables	208,958	(91,028)	12,737	13,868
(Increase)/Decrease in Related Party Receivables	21,666	(60,500)	(459,159)	(130,035)
Increase/(Decrease) in Related Party Payables	(157,559)	(101,722)	42,122	(68,342)
Increase/(Decrease) in Trade and other Payables	(168,647)	209,807	832	75,079
	1,981,670	1,334,400	107,119	301,573
Cash Flows from Operating Activities				
Cash generated from operations (Note A)	1,981,670	1,334,400	107,119	301,573
Gratuity paid	(124,795)	(49,275)	(89,660)	(6,837)
Interest Paid	(635,552)	(859,270)	(85,085)	(115,955)
Income Taxes Paid	(165,659)	(165,432)	-	-
Net Cash Flows from operating Activities	1,055,664	260,423	(67,626)	178,781

Statement of Cash Flow

<i>For the Year ended 31st March,</i>	GROUP		COMPANY	
	2015 Rs. '000	2014 Rs. '000 Restated	2015 Rs. '000	2014 Rs. '000
Cash Flows from Investing Activities				
Purchase and construction of Property, Plant & Equipment	(1,248,923)	(841,822)	(218,796)	(171,169)
Proceeds on Disposal of Property, Plant & Equipment	105,505	41,218	454	3,831
Purchase of Investment Property	-	(24,519)	-	-
Acquisition of Subsidiary (Note 31)	(878,453)	(30,333)	-	-
Proceeds from sale of Investments	19,673	41,977	-	-
Purchase of other Long Term / Short term Investment	(31,707)	(71,734)	(252)	-
Investment in Subsidiary	-	-	(442,782)	-
Dividend Received	9,847	6,181	27,984	27,803
Interest Received	38,047	84,789	1,229	4,373
Net payments to Minority Share Holders	(68,652)	(90,638)	-	-
Net Cash flows from Investing Activities	(2,054,663)	(884,881)	(632,163)	(135,162)
Cash flows from financing activities				
Lease Rental Paid	(81,017)	(119,748)	(22,064)	(26,832)
Long-Term loans Obtained during the Year	1,894,046	571,944	479,513	117,742
Payments of Long Term Loan	(522,075)	(578,188)	(129,036)	(111,705)
Short -Term loans Obtained during the Year	218,768	600,665	341,985	61,750
Dividends paid	(31,693)	(25,355)	(31,693)	(25,355)
Net Cash flows from Financing Activities	1,478,029	449,318	638,704	15,600
Net Increase /(Decrease) in Cash & Cash Equivalents	479,030	(175,140)	(61,084)	59,219
Cash & Cash Equivalents at the Beginning of the Year	(1,291,425)	(1,116,285)	(110,602)	(169,821)
Cash & Cash Equivalents at the End of Period (note B)	(812,395)	(1,291,425)	(171,686)	(110,602)
B. Analysis of Cash & Cash Equivalents				
Bank Borrowings	(1,430,749)	(1,792,069)	(226,378)	(219,349)
Cash in Hand & at Banks	618,355	500,644	54,692	108,747
	(812,395)	(1,291,425)	(171,686)	(110,602)

The Accounting Policies and Notes on pages 25 to 93 form an integral part of the Financial Statements.

Figures in brackets indicate deductions.

Accounting Policies

1. Reporting Entity

E. B. Creasy & Company PLC ('the Company'), is a company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The Company's registered office and the principal place of business is at No. 98, Sri Sangaraja Mawatha, Colombo 10.

The Consolidated Financial Statements of E. B. Creasy & Company PLC, as at and for the year ended 31st March, 2015 comprises the Company and its subsidiaries (together referred to as the 'Group'). The principal activities of the Company are manufacturing of consumer products, marketing hardware and automotive accessories and freight forwarding.

E. B. Creasy & Company PLC's Parent Entity is The Colombo Fort Land & Building PLC.

2. Basis of Preparation

2.1 Statement of Compliance

The Financial Statements of the Company and those consolidated with such comprise of the Statements of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows together with the Accounting Policies and Notes to the Financial Statements.

These Statements are prepared in accordance with the Sri Lanka Accounting Standards (SLFRS/LKAS), adopted by The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and with the requirements of the Companies Act No. 07 of 2007.

The Consolidated Financial Statements for the year ended 31st March, 2015 were authorized for issue by the Directors on 28th August 2015.

2.2 Basis of Measurement

The Consolidated Financial Statements have been prepared on the historical cost basis and applied consistently with an adjustment being made for inflationary factors affecting the Financial Statements except for the following;

- Derivative financial instruments are measured at fair value

- Non-Derivative financial instruments at fair value through profit or loss are measured at fair value.
- Available for sale financial assets are measured at fair value
- Defined benefit asset is recognized as plan assets plus unrecognized past service cost less the present value of the defined benefit obligation.

2.3 Functional and Presentation Currency

The Financial Statements are presented in Sri Lankan Rupees which is the functional currency of the Group. All financial information presented in Sri Lankan Rupees has been rounded to the nearest thousand, unless stated otherwise.

Monetary assets and liabilities denominated in foreign currencies have been translated into local currency as per the exchange rate at the date of the Statement of Financial Position while all non-monetary items are reported at the rate prevailing at the time transactions were affected.

2.4 Use of Estimates and Judgments

The preparation of Consolidated Financial Statements in conformity with SLFRS/LKAS 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 and the disclosure of contingent liabilities at the reporting date. Judgments and estimates are based on historical experience and other factors including expectations that are believed to be reasonable under the circumstances. Actual results may differ from those estimates and judgmental decisions.

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 if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Information about critical judgments, estimates and assumptions in applying accounting policies that could have a significant effect on the Financial Statements are mentioned below:

Accounting Policies

	Policy No.
Measurement of Intangible Assets	3.3.2
Measurement of Fair Value of Financial Instruments	3.3.5
Impairment	3.3.7
Valuation of Employee Benefit Liabilities	3.4.2
Provisions, Contingent Assets & Liabilities	3.4.3
Deferred Tax Assets & Liabilities	3.5.3.2

3. Significant Accounting Policies

The accounting policies set out below have been consistently applied to all periods presented in these Financial Statements and the accounting policies have been applied consistently by the Group.

Comparative information has where necessary been reclassified to conform to the current year's presentation. The Directors have made an assessment of the Group's ability to continue as a going concern in the foreseeable future, and they do not foresee a need for liquidation or cessation of trading.

3.1 Basis of Consolidation

The Consolidated Financial Statements (referred to as the 'Group') comprise the Financial Statements of the Company, its Subsidiaries and the Group's interest in equity accounted investees (Associates).

The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions/events in similar circumstances and where necessary, appropriate adjustments have been made in the Consolidated Financial Statements.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance. A change in the ownership interest of a subsidiary without a loss of control is accounted for as an equity transaction. If the Group loses control over a subsidiary, the group derecognised assets and liabilities of the subsidiary, any non-controlling interest and the other components of entity related to the subsidiary. Any surplus or deficit arising on the loss of controls is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control was lost. Subsequently it is accounted as an Equity Accounted Investee or as AFS Financial Assets depending on the level of influence retained.

The Group measures goodwill at the acquisition date as the fair value of the consideration transferred including the recognised amount of any non-controlling interests in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Transactions costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

In a business combination achieved in stages, the Group remeasures its previously held equity interest in the acquiree at its acquisition date fair value and recognises the resulting gain or loss, if any, in profit or loss.

3.1.1 Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The interest of the outside shareholders of the Group is disclosed separately under the heading of 'Non-Controlling Interest'.

A listing of the Group's subsidiaries is set out in Note 12.4 of the Financial Statements.

The following companies in which the Group's effective holding is less than 50% have been consolidated as subsidiaries based on the power to govern the financial and operating policies of those entities.

Company Name	Holding %
Lankem Ceylon PLC	47.96%
Lankem Paints Ltd	47.96%
Lankem Consumer Products Ltd	47.96%
Lankem Chemicals Ltd	47.96%
Lankem Exports (Pvt) Ltd	47.95%
Sun Agro Life Science Ltd	47.96%
Sun Agro Farms Ltd	47.96%
Sun Agro Foods Ltd	47.96%
Lankem Research Ltd	47.96%
Associated Farms Ltd	47.96%
Ceylon Tapes (Pvt) Ltd	47.96%
JF Packaging (Pvt) Ltd	34.77%
Colombo Fort Hotels Ltd	40.87%
Galle Fort Hotels (Pvt) Ltd.	40.87%
Sigiriya Village Hotels PLC	28.42%
Marawila Resorts PLC	21.86%
Beruwala Resorts Ltd	30.56%
BOT Hotel services (Pvt) Ltd	30.56%
York Hotels (Kandy) Ltd	18.67%
C.W.Mackie PLC	18.72%
Lankem Technology Services Ltd	47.96%

3.1.2 Investments in Associates

An Associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not have any control or joint control over those policies.

At the date of acquisition, any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate is recognized as goodwill. The goodwill is included within the carrying amount of the investment.

The results and assets and liabilities of associates are incorporated in the Consolidated Financial Statements using the equity method of accounting. Under the equity method, investments in associates are carried in the Consolidated Statement of Financial Position at cost and adjusted for post-acquisition changes in the Group's share of the net assets of the associate less any impairment in the value of the investment. The Group's

share of profits or losses after tax is recognized in the consolidated profit or loss. Loss of an associate in excess of the Group's interest in that associate are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

3.1.3 Acquisitions of Entities Under Common Control

The purchase method of accounting is used to account for the acquisition of subsidiary by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the profit and loss for the year.

3.1.4 Transactions Eliminated on Consolidation

Inter Group balances and transactions and any unrealized income and expenses arising from inter Group transactions are eliminated 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 eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

3.1.5 Non-Controlling Interest

For each business combination, the Group elects to measure any non-controlling interests in the acquiree either:

- At fair value; or
- At their proportionate share of the acquiree's identifiable net assets, which are generally at fair value.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners.

Accounting Policies

Adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary. No adjustments are made to goodwill and no gain or loss is recognised in profit or loss.

3.1.6 Loss of Control

On the Loss of control, the Group de-recognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

3.2 Foreign Currency

3.2.1 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 reporting date, monetary items denominated in foreign currencies are translated at the rates prevailing on the reporting date.

Non-monetary items measured at fair value are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items measured at historical cost are translated at the rates prevailing on the date of transaction.

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. 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 which are recognized in other comprehensive income.

3.3 Assets and Bases of their Valuation

Assets classified as current assets in the Statement of Financial Position are cash and bank balances and those which are expected to be realized in cash during the normal operating cycle of the Company's business, or within one year from reporting 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 reporting date.

3.3.1 Property, Plant and Equipment

3.3.1.1 Recognition and Measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. The cost of certain items of property, plant and equipment was determined by reference to a previous GAAP revaluation. The group elected to apply the optional exemption to use this previous revaluation as deemed cost at 01st April 2011, the date of transition.

When parts of an item of property, plant & equipment have different useful lives, they are accounted for as separate items (major components) of property, plant & equipment.

3.3.1.2 Owned Assets

The cost of an item of property, plant & equipment comprise its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. The cost of self-constructed assets includes the cost of materials, direct labour, and any other costs directly attributable to bringing the asset to the working condition for its intended use. This also includes cost of dismantling and removing the items and restoring in the site on which they are located and borrowing costs on qualifying assets. Purchased software that is integral to the functionality of the related equipment is capitalized as part of the equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within other income in profit or loss.

3.3.1.3 Leased Assets

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. The corresponding principal amount payable to the lessor is shown as a liability. The interest element of the rental obligation applicable to each financial year is charged to the Income Statement

over the period of lease so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

3.3.1.3.1 Operating leases

Leases, where the lessor effectively retains substantially all of the risks and benefits of ownership over the term of the lease, are classified as operating leases. Lease payments are recognised as an expense in the Statement of Profit or Loss over the term of the lease and not recognised in the Statement of Financial Position.

3.3.1.4 Subsequent Costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within that part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized in accordance with the derecognition policy given below.

The costs of the day-to-day servicing of property, plant and equipment are recognized in the Income Statement as incurred.

3.3.1.5 Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal, or when no future economic benefits are expected from its use. Gains and losses on derecognition are recognized in the Statement of Profit or Loss and gains are not classified as revenue.

3.3.1.6 Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost less its residual value.

Depreciation is recognized in Income Statement for the year on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless that it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

The estimated useful lives are as follows:

Type of Assets	No.of Years
Freehold Building	10-50 years
Building on Leasehold Land	40 years or period of the lease whichever is less
Plant & Machinery	5-13 years
Motor Vehicles	3.3-10 years
Furniture, Fixtures & Fittings	5-20 years
Computers	4-6 years
Laboratory Equipment	4-5 years

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.

The appropriateness of useful lives of the asset and the depreciation rates are assessed annually.

3.3.2 Intangible Assets

An intangible asset is initially recognized at cost, if it is probable that future economic benefit will flow to the enterprise, and the cost of the asset can be measured reliably.

3.3.2.1 Goodwill

Goodwill arising on an acquisition represents the excess of the cost of acquisition over the fair value of net assets acquired. Goodwill is measured at cost less accumulated impairment losses.

Gain from bargain purchase arising on an acquisition represents the excess of the fair value of the net assets acquired over the cost of acquisition. Gain from bargain purchase is recognized immediately in the Statement of Profit or Loss.

3.3.2.2 Software

All computer software cost incurred, which are not internally related to associate hardware, which can be clearly identified, reliably measured and its probable that they will lead to future economic benefits, are included in the Statement of Financial Position under the category of intangible assets.

Accounting Policies

3.3.2.3 Other Intangible Assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

3.3.2.4 Amortization

Amortization is calculated over the cost of the asset or other amount substituted for cost less its residual value.

Amortization is recognized in the Income Statement for the year on straight-line basis over the estimated useful lives of intangible assets other than goodwill from the date the assets are available-for-use.

3.3.2.5 Subsequent Expenditure

Expenditure incurred on software is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in the Income Statement for the year as incurred.

3.3.3 Investment Property

Investment property is property held to either earn rental income or for capital appreciation or both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is initially measured at its cost including related transaction cost and is therefore carried at its cost less any accumulated depreciation and any accumulated impairment losses.

3.3.4 Inventories

Inventories have been valued at the lower of the cost and the net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated selling expenses, and where applicable, cost of conversion from their existing state to a finished condition. In general, cost is determined on a FIFO basis and includes all the expenditure incurred in bringing the inventories to a saleable condition. In the case of finished products, cost includes all direct expenditures and production overheads based on a normal level of activity. Inventories other than produce stocks are valued at lower of cost and estimated net realizable value, after making due allowances for obsolete and slow moving items. Net realizable value is the price at which stocks can be sold in the normal course of business after allowing for cost of realization and /or cost of conversion from their existing state to saleable condition.

3.3.5 Financial Instruments

3.3.5.1 Financial Assets

(a) Initial Recognition and Measurement

Financial assets within the scope of LKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The Group determines the classification of its financial assets at initial recognition. All financial assets are recognized initially at fair value plus, in the case of assets not at fair value through profit or loss, directly attributable transaction costs. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset. The Group's financial assets include cash and short-term deposits, trade and other receivables, loans and other receivables, unquoted equity instruments and derivative financial instruments.

(b) Subsequent Measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

A financial asset at fair value through profit or loss includes financial assets held-for-trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held-for-trading if they are acquired for the purpose of selling or repurchasing in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by LKAS 39. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets at fair value through profit and loss are carried in the Statement of Financial Position at fair value with changes in fair value recognized in finance income or finance costs in the Statement of Profit or Loss. The Group has not designated any financial assets upon initial recognition as at fair value through profit or loss. The Group evaluates its financial assets held-for-trading, other than derivatives, to determine whether the intention to sell them in the near term

is still appropriate. When the Group is unable to trade these financial assets due to inactive markets and management's intention to sell them in the foreseeable future significantly changes, the Group may elect to reclassify these financial assets in rare circumstances. The reclassification to loans and receivables, available-for-sale or held-to-maturity depends on the nature of the asset. This evaluation does not affect any financial assets designated at fair value through profit or loss using the fair value option at designation.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate method (EIR), less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Comprehensive Income. The losses arising from impairment are recognized in the Statement of Comprehensive Income in finance costs.

Held-to-Maturity Investments

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the Group has the positive intention and ability to hold them to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Comprehensive Income. The losses arising from impairment are recognized in the Statement of Comprehensive Income in finance costs.

Available-for-Sale Financial Investments

Available-for-sale financial investments include equity and debt securities. Equity investments classified as available - for - sale are those, which are neither classified as held - for - trading nor designated at fair value through profit or loss. Debt securities in this category are those which

are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial measurement, available-for-sale financial investments are subsequently measured at fair value with unrealized gains or losses recognized as other comprehensive income in the available-for-sale reserve until the investment is derecognized, at which time the cumulative gain or loss is recognized in other operating income, or determined to be impaired, at which time the cumulative loss is reclassified to the Statement of Comprehensive Income in finance costs and removed from the available - for - sale reserve. Interest income on available - for - sale debt securities is calculated using the effective interest method and is recognized in profit or loss.

The Group evaluates its available-for-sale financial assets to determine whether the ability and intention to sell them in the near term is still appropriate. When the Group is unable to trade these financial assets due to inactive markets and management's intention to do so significantly changes in the foreseeable future, the Group may elect to reclassify these financial assets in rare circumstances. Reclassification to loans and receivables is permitted when the financial assets meet the definition of loans and receivables and the Group has the intent and ability to hold these assets for the foreseeable future or until maturity. Reclassification to the held-to-maturity category is permitted only when the entity has the ability and intention to hold the financial asset accordingly.

(c) Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

The rights to receive cash flows from the asset have expired.

The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'passthrough' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred

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nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(d) Impairment of Financial Assets

The Group assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the Group of financial assets that can be reliably estimated.

3.3.5.2 Financial Liabilities

(a) Initial Recognition and Measurement

Financial liabilities within the scope of LKAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, as appropriate.

The Group determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value plus, in the case of loans and borrowings, transaction costs that are directly attributable to the acquisition or issue of such financial liability. The Group's financial liabilities include trade and other payables, bank overdrafts, loans and borrowings, financial guarantee contracts, and derivative financial instruments.

(b) Subsequent Measurement

Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held-for-trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by LKAS 39. Gains or losses on liabilities held-for-trading are recognized in the Statement of Comprehensive Income.

The Group has not designated any financial liabilities upon initial recognition as at fair value through profit or loss.

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the Statement of Comprehensive Income when the liabilities are derecognized as well as through the effective interest rate method (EIR) amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the Statement of Profit or Loss.

(c) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

3.3.5.3 Financial Guarantee Contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount recognized less cumulative amortization.

3.3.5.4 Fair Value of Financial Instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference

to the current fair value of another instrument that is substantially the same; a discounted cash flow analysis or other valuation models. An analysis of fair values of financial instruments and further details as to how they are measured are provided in Note 26.

3.3.5.5 Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Consolidated Statement of Financial Position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

3.3.5.6 Corporate guarantees

Corporate guarantees are contracts that require the Group to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Corporate guarantee liabilities are recognised initially at their fair value and the initial fair value is amortised over the life of the corporate guarantee. The corporate guarantee liability is subsequently carried at the higher of this amortised amount and the present value of any expected payment when a payment under the guarantee has become probable.

3.3.6 Cash & Cash Equivalents

Cash & cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's Cash Management are included as a component of cash & cash equivalents for the purpose of the Statement of Cash Flows.

3.3.7 Impairment

3.3.7.1 Non-derivative financial assets

A financial asset not classified as at fair value through profit or loss including an interest in an equity-accounted investee is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a debtor, restructuring

of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers, economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

3.3.7.2 Financial assets measured at amortised cost

The Company considers evidence of impairment for financial assets measured at amortised cost (loans and receivables and hold to-maturity financial assets) at both a specific asset and collective level. All individually significant assets are assessed for specific impairment. Those found not to be specifically impaired are, then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are, collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Company uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables or held to maturity investment securities. Interest on the impaired asset continues to be recognised. When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

3.3.7.3 Available-for-sale financial assets

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve in equity to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost, net

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of any principal repayment and amortisation, and the current fair value, less any impairment loss recognised previously in profit or loss. Changes in cumulative impairment losses attributable to application of the effective interest method are reflected as a component of interest income. If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed, with the amount of the reversal recognised in profit or loss. However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income.

An impairment loss in respect of an equity-accounted investee is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognised in profit or loss. An impairment loss is reversed if there has been a favorable change in the estimates used to determine the recoverable amount.

3.3.7.4 Non-financial assets

The carrying amounts of the Group's Non-financial assets, investment property and inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or cash generating unit (CGU) exceeds its recoverable amount. An impairment loss in respect of Goodwill is not reversed.

3.4 Retirement Benefit Obligation

3.4.1 Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to provident and trust funds covering all employees are recognized as an expense in profit and loss in the periods during which services are rendered by employees.

3.4.2 Defined Benefit Plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liability recognized in the Statement of Financial Position in respect of defined benefit plan is the present value

of defined benefit obligation at the Statement of Financial Position date. The defined benefit obligation is calculated annually by independent actuaries using Project Unit Credit (PUC) method as recommended by LKAS 19 - 'Employee Benefits'. The present value of the defined benefit obligation is determined by discounting the estimated future cash flows. The gratuity liability was based on the actuarial valuation carried out.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the Statement of Other Comprehensive Income.

However, according to the Payment of Gratuity Act No. 12 of 1983, the liability for the gratuity payments to an employee arise only on the completion of 5 years of continued service with the Company.

3.4.2.1 Defined Contribution Plans - Employees' Provident Fund and Employees' Trust Fund

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

3.4.3 Provisions, Contingent Assets and Contingent Liabilities

Provisions are made for all obligations existing as at the date of Statement of Financial Position when it is probable that such an obligation will result in an outflow of resources and a reliable estimate can be made of the quantum of the outflow.

All contingent liabilities are disclosed as a note to the Financial Statements unless the outflow of resources is remote. Contingent assets are disclosed in the notes, where inflow of economic benefit is probable.

3.4.4 Short-term Benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed at the related service is provided.

3.5 Statement of Profit or Loss

3.5.1 Revenue

3.5.1.1 Revenue Recognition

Revenue principally is recognized on an accrual basis in terms of LKAS 18. Revenue from sale of goods is recognized in the profit and loss for the year when the significant risks and rewards of ownership have been transferred to the buyer. Revenue from services rendered is recognized in the Income Statement on completion of service. Interest income is accounted in the profit and loss for the year on the accrual basis. Dividend income is accounted when the shareholders' right to receive payment is established.

The profit earned by the Company before taxation as shown in the Statement of Comprehensive Income is after making provision for all known liabilities and for depreciation of property, plant & equipment.

Gains and losses of revenue nature on the disposal of property, plant & equipment have been accounted for in the profit or loss for the year.

3.5.1.2 Net Financing Income/Costs

Net financing costs comprise of interest payable on borrowings and interest receivable on funds invested. Interest income is recognized in the profit or loss for the year as it accrues, taking into account the effective yield on the asset. All interest and other costs incurred in connection with borrowings are expensed as incurred as part of net financing cost.

3.5.1.3 Other Income

Other income is recognized on an accrual basis. Net gains and losses of a revenue nature on the disposal of property, plant & equipment and other non-current assets including investment have been accounted for in the profit or loss for the year, having deducted from proceeds on disposal, the carrying amount of the assets and related expenses.

Gains and losses arising from incidental activities to main revenue-generating activities and those arising from a group of similar transactions which are not material, are aggregated, reported and presented on a net basic.

3.5.2 Expenditure Recognition

All expenditure incurred in running the business and in maintaining the capital assets in a state of efficiency have been charged to profit or loss for the year. Expenditure incurred for the purpose of acquiring and extending or improving assets of a permanent nature by means of which to carry on the business or for the purpose of increasing the earning capacity of the business has been treated as capital expenditure.

3.5.2.1 Borrowing Costs

Borrowing costs are recognized as an expense in profit and loss in the period in which they are incurred, except to the extent that they are attributable to the acquisition, construction or production of a qualifying asset, in which case they are capitalized as part of the cost of that asset. The amount of borrowing costs to be capitalized is determined in accordance with the allowed alternative treatment in LKAS 23 - Borrowing Costs.

3.5.2.2 Operating Lease payment

Where the company has the use of assets under operating leases, payments made under the leases are recognised in the Statement of Comprehensive Income on a straight line basis over the term of the lease. Lease incentives received are recognised in the Statement of Comprehensive Income as an integral part of the total lease expense over the term of the lease. Contingent rentals are charged to the Statement of Comprehensive Income in the accounting period in which they are incurred

3.5.2.3 Finance Costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and losses on disposal of available for sale financial assets, fair value losses on financial assets at fair value through profit or loss and impairment losses recognised on financial assets (other than trade receivables).

3.5.3 Taxation

3.5.3.1 Current Taxes

Current income tax liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the Commissioner General

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of Inland Revenue. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the Statement of Financial Position date.

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

Income 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 the respective Notes to the Financial Statements.

3.5.3.2 Deferred Taxation

Deferred taxation is provided, based on the liability method, on temporary differences at the Statement of Financial Position date between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. The balance in the deferred taxation account represents income tax applicable to the difference between the written down values for tax purposes of the assets on which tax depreciation has been claimed and the net book values of such assets, offset by the provision for

retirement benefit which is deductible for income tax purposes only on payment.

Deferred tax assets are recognized for all deductible temporary differences and carry forward of unused tax losses, to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and carry forward of unused tax losses can be utilized.

Deferred tax liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences.

The carrying amount of deferred tax assets and deferred tax liabilities are reviewed at each Statement of Financial Position date.

3.6 Policies Specific to Hotel Sector

Following accounting policies of the hotel companies differ from that of the Group since the nature of the

operations of the hotel companies are significantly different from that of the Group.

3.6.1 Property, Plant and Equipment

3.6.1.1 Recognition and Measurement

Items of Property, Plant & Equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the cost of dismantling and removing the items and restoring the site on which they are located and capitalized borrowing cost. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of Property, Plant & Equipment have different useful lives, they are accounted for as separate items (major components) of Property, Plant & Equipment.

3.6.1.2 Gains and Losses on Disposal

Gains and losses on disposal of an item of Property, Plant & Equipment are determined by comparing the proceeds from disposal with the carrying amount of Property, Plant & Equipment, and are recognized net within 'other income/other expenses' in profit or loss.

3.6.1.3 Subsequent Costs

The cost of replacing a part of an item of Property, Plant & Equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of Property, Plant & Equipment are recognized in profit or loss as incurred.

3.6.1.4 Derecognition

The carrying amount of an item of Property, Plant & Equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from derecognition of an item of Property, Plant & Equipment is included in profit or loss when the item is derecognized. When replacement costs are recognized in the carrying

amount of an item of Property, Plant & Equipment, the remaining carrying amount of the replaced part is derecognized. Major inspection costs are capitalized. At each such capitalization, the remaining carrying amount of the previous cost of inspections is derecognized.

3.6.1.5 Depreciation

Items of Property, Plant & Equipment are depreciated from the date they are available for use or, in respect of self-constructed assets, from the date that the asset is completed and ready for use.

Depreciation is calculated to write-off the cost of items of Property, Plant & Equipment less their estimated residual values using the straight-line basis over their estimated useful lives. Depreciation is generally recognized in profit or loss, unless the amount is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Land is not depreciated.

The estimated useful lives for the current and comparative years are as follows:

Type of Asset	No. of Years
Building on Freehold Land	40
Plant & Machinery	10
Equipment	06
Furniture & Fittings	08
Motor Vehicles	04
Software	05
Computer Equipment	05
Air-Conditioners	06

Linen, Cutlery and Crockery on Replacement Basis.

Depreciation has not been provided on freehold land.

Depreciation of an asset begins when it is available for use and ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognized. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

3.6.1.6 Capital Work-in-Progress

Capital expenses incurred during the year which are not completed as at the Balance Sheet date are shown as capital work-in-progress, while the capital assets which have been completed during the year and put to use are transferred to Property, Plant & Equipment.

3.6.2 Inventories

Inventories are valued at the lower of cost and estimated net realizable value, after making due allowances for obsolete and slow moving items. Net realisable value is the price at which inventories can be sold in the normal course of business after allowing for cost of realization and/or cost of conversion from their existing state to saleable condition. The cost of each category of inventory is determined on the following basis:

Food and Beverages

At actual cost on weighted average basis.

Maintenance and Others

At actual cost on weighted average basis.

3.6.3 Revenue and Expenditure Recognition

Revenue represents the amounts derived from the provision of goods and services, which fall within the Company's ordinary activities, net of trade discounts and revenue related criteria are applied.

3.6.3.1 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.

3.6.3.2 Income from Hotel

Apartment revenue is recognized on the rooms occupied on a daily basis and food and beverage and other hotel related sales are recognized at the point of sale. All revenue are recognized on an accrual basis and matched with the related expenditure.

3.6.3.3 Others

Other income is recognized on an accrual basis. Gains and losses on the disposal of Property, Plant & Equipment have been accounted for in Statement of Comprehensive Income.

Notes to the Financial Statements

3.6.3.4 Expenditure Recognition

All expenditure incurred in the running 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/(loss) for the year.

3.7 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 being charged or not.

3.8 Segmental Reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's CEO to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, head office expenses, and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

Segmental results assets and liabilities include items directly attributable to segment as well as these can be allocated on a reasonable basis.

3.9 Cash Flow Statement

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

3.10 General

3.10.1 Stated Capital

Ordinary shares

Ordinary shares are classified as equity. As per the Companies Act No. 07 of 2007, section 58(1), stated capital in relation to a Company means the total of all amounts received by the Company or due and payable to the Company in respect of the issue of shares and in respect of call in arrears.

Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

3.10.2 Earnings Per Share

The Group presents Basic Earnings Per Share and Diluted Earnings Per Share (EPS) 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.

3.10.3 Movement of Reserves

Movements of reserves are disclosed in the Statement of Changes in Equity.

3.11 Comparative Figures

Where necessary comparative figures have been reclassified to conform to the current year's presentation.

3.12 Capital Commitments and Contingencies

Capital commitments and contingent liabilities of the Group are disclosed in the respective Notes to the Financial Statements.

3.13 Events Occurring After the Reporting Date

The materiality of the events occurring after the Statement of Financial Position date is considered and appropriate adjustments to or disclosures are made in the Financial Statements, where necessary.

3.14 Financial Risk Management Policies

The Group's principal financial liabilities comprise of loans and borrowings, trade and other payables and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group has loan and other receivables, trade and other receivables, and cash and short-term deposits that arrive directly from its operations. The Group also holds available-for-sale investments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's Senior Management monitors these risks. The Group's Senior Management is supported by an audit committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The Audit Committee provides assurance to the Group's senior management that the Group's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with group policies and group risk appetite.

4. NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

Standard issued but not yet effective up to the date of issuance of the Company's financial statements are listed below. This listing of standards is those that the Group reasonably expects to be applicable at a future date. The Group intends to adopt those standards when they become effective.

(a) SLFRS 9 – Financial Instruments

SLFRS 9 as issued reflects the replacement of LKAS 39 and applies to the classification and measurement of financial assets and financial liabilities as defined in LKAS 39. This standard becomes effective for annual periods beginning on or after January 01st, 2018. The adoption of SLFRS 9 will have an impact on classification and measurement of Company's financial assets.

(b) SLFRS 14 – Regulatory Deferral Accounts

The scope of this standard is limited to first-time adopters of SLFRS that already recognize regulatory deferral account balances in their financial statements. Consequently, the financial statements of rate regulated entries that already apply SLFRS, or that do not otherwise recognize

such balances, will not be affected by this standard. This standard is effective for the annual periods beginning on or after 01st, January 2016.

(c) SLFRS 15 – Revenue from Contracts with Customers

SLFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces the existing revenue recognition contracts. SLFRS 15 is effective for annual periods beginning on or after 01st January 2018.

The Group is currently in the process of evaluating the potential effect of these standards on its financial statements and the impacts of the adoption of these standards have not been quantified as at the reporting date.

Notes to the Financial Statements

1. Revenue

	GROUP		COMPANY	
	2015 Rs. '000	2014 Rs. '000 Restated	2015 Rs. '000	2014 Rs. '000
For the Year ended 31st March,				
Revenue from Sale of Goods	26,826,889	25,629,372	3,208,607	2,642,684
Revenue from Rendering of Services	43,435	53,256	-	-
Revenue form Other Sources	296	121	-	-
	26,870,620	25,682,749	3,208,607	2,642,684
Intra-Group Sales	(6,484,616)	(5,205,393)	-	-
	20,386,004	20,477,356	3,208,607	2,642,684

2. Other Income

	GROUP		COMPANY	
	2015 Rs. '000	2014 Rs. '000 Restated	2015 Rs. '000	2014 Rs. '000
For the year ended 31st March				
Profit on Disposal of Property, Plant & Equipment	23,921	26,893	454	3,831
Rental Income	78,986	70,240	6,915	6,718
Dividend Income	9,847	6,181	27,984	27,803
Commission Income	8,217	14,130	-	-
Profit on Disposal of Investment	9,000	76	-	-
Amortisation of Deferred Income and capital Grants	2,748	2,061	-	-
Creditors not payable written back	13,020	17,950	-	-
Sale of Scraps	-	1,889	-	-
Sale of Software	-	-	-	6,270
Sundry Income	29,640	112,324	215	27
	175,379	251,744	35,568	44,649

3. Net Finance Expenses

	GROUP		COMPANY	
	2015 Rs. '000	2014 Rs. '000 Restated	2015 Rs. '000	2014 Rs. '000
For the year ended 31st March				
Interest Income	10,841	57,472	1,229	4,373
Interest from Related Companies				
Debenture interest income	27,206	25,065	-	-
Financial Assets at fair value through profit or loss-Net change in fair value	5,209	-	-	-
Guarantee Commission on Corporate Guarantees	6,961	2,252	12,465	20,400
Gain on Translation of Foreign Currency	95,276	149,555	2,578	6,952
Finance Expense (Note 3.1)	(668,064)	(874,887)	(87,094)	(120,389)
	(522,571)	(640,543)	(70,822)	(88,664)

3.1 Finance Expenses

<i>For the year ended 31st March</i>	GROUP		COMPANY	
	2015 Rs. '000	2014 Rs. '000 Restated	2015 Rs. '000	2014 Rs. '000
Interest on Overdrafts and Trust Receipt Loans	148,523	316,680	57,960	65,774
Interest on Term Loans	299,768	311,235	21,776	44,937
Interest on Finance Lease obligations	16,256	25,619	2,009	4,434
Guarantee Commission on Corporate Guarantees	5,349	5,244	5,349	5,244
Debenture Interest	31,068	44,798	-	-
Other Interest	167,100	171,311	-	-
	668,064	874,887	87,094	120,389

4. Profit Before Taxation

Profit before taxation is stated after charging all expenses including the following:

<i>For the Year ended 31st March,</i>	GROUP		COMPANY	
	2015 Rs. '000	2014 Rs. '000 Restated	2015 Rs. '000	2014 Rs. '000
Auditors Remuneration				
KPMG	12,930	10,444	2,240	2,035
Other Auditors	1,724	2,259	-	-
Fee Paid to Auditors for Non-Audit Services				
KPMG	2,772	1,979	788	862
Other Auditors	293	93	-	-
Depreciation on Property, Plant & Equipment	466,737	424,190	100,583	92,566
Provision for Impairment on Property, Plant & Equipment	89,668	20,136	9,479	-
Depreciation on Investment Property	4,995	4,806	-	-
Amortization of Intangible Assets	57	120	-	-
Provision for Bad & Doubtful Debts	145,666	5,232	-	-
Provision for Doubtful Amounts				
Due from Related Parties	29,806	105	484	277
Provision/ (Reversal) for Fall in Value of Inventory	(24,398)	19,518	17,282	(2,293)
Amortization of Leasehold Land	-	88	-	-
Donations	3,939	1,660	325	224
Impairment of Leasehold Land	-	2,225	-	-
Staff Cost (Note 4.1)	1,911,431	1,535,871	287,240	212,496

Notes to the Financial Statements

4.1 Staff Cost

	GROUP		COMPANY	
	2015 Rs. '000	2014 Rs. '000 Restated	2015 Rs. '000	2014 Rs. '000
For the year ended 31st March				
Wages and Salaries	1,492,918	1,225,582	177,725	139,634
Defined Contribution Plan Cost - EPF/ETF	190,477	152,192	26,599	20,712
Defined Benefit Plan Cost - Retiring Gratuity	110,197	100,012	36,359	32,323
Other Staff Cost	43,445	33,741	-	-
Bonus	83,636	31,495	46,557	19,828
	1,920,673	1,543,022	287,240	212,497

5. Income Tax Expense

	GROUP		COMPANY	
	2015 Rs. '000	2014 Rs. '000 Restated	2015 Rs. '000	2014 Rs. '000
For the Year ended 31st March,				
Income Tax on Profit for the year	183,931	155,221	6,643	-
Transferred to Deferred Tax (Note 22)	24,918	(1,284)	48,453	(14,041)
Dividend Tax on Subsidiary Dividend	2,749	-	-	-
Under Provision of Current Tax of previous year	699	8,311	4,011	-
	212,297	162,248	59,107	(14,041)

5.1 Reconciliation of Accounting Profit to Income

Profit Before Tax	310,910	182,043	300,168	210,334
Intra-Group Eliminations	241,277	226,943	-	-
Share of Results of Equity Accounted Investees	64,649	23,830	-	-
	616,836	432,816	300,168	210,334
Disallowable Expenses	1,500,933	1,148,716	189,840	183,620
Tax Deductible Expenses	(923,378)	(589,833)	(301,047)	(146,967)
Statutory Income from Business	1,194,391	991,699	188,961	246,987
Statutory Income Exempt Under Relocation Undertakings	(79,243)	9,345	-	-
Exempt Under Section 13 (ddd)	(5,018)	(3,699)	-	-
Statutory Income Exempt from Taxation	-	(279,917)	-	(279,917)
Statutory Income/(Loss)	1,110,130	717,428	188,961	(32,930)
Add: Other Source of Income	187,230	92,782	13,807	24,892
Total Statutory Income	1,297,360	810,210	202,768	24,892
Deductions under Section 32	(42,966)	(15,938)	(25,772)	(8,712)
Qualifying Payments	(123,531)	(71,680)	(44,136)	(56,706)
Tax Exempt Income	(236,946)	(100,690)	-	-
Tax Loss Claimed during the year	(54,179)	(24,919)	-	-
Taxable Income/(Loss)	839,738	596,983	132,860	(40,526)
Income Tax @ 28%	169,363	142,429	-	-
Income Tax @ 12%	4,842	10,597	-	-
Income Tax @ 5%	9,726	-	6,643	-
Deemed Dividend Tax	-	2,195	-	-
Income Tax Expense	183,931	155,221	6,643	-

5.2 Taxation Rates

Corporate income taxes of the companies resident in Sri Lanka have been computed in accordance with the Inland Revenue Act No. 10 of 2006 and subsequent amendments thereto.

E. B. Creasy & Company PLC and other companies within the Group, excluding those which are enjoying a tax holiday or concessionary rate of taxation as referred to below, are liable for income tax at 28%.

- The Company's profit/income (other than any profit and income from the sale of any capital assets) earned in the factory located in Millewa is exempted from income tax for each year of assessment within a period of five years commencing on 01st April 2009 as per the Section 21A of Inland Revenue (Amendment) Act No. 10 of 2006.

This exemption was expired during the financial year ended 31st March 2014 and the Company's profit/income earned in the factory located in Millewa during the year ended 31st March 2015 is taxed at 5%.

- In accordance with the Section 21 of Inland Revenue Act No. 10 of 2006, the profit and income from relocated activities (Lankem Ceylon PLC has relocated its agro chemical and agro seeds operation to Pannala) is exempted from income tax for the period of five years commencing from year of assessment 2010/2011, under GAMATA KARMANTHA PROJECT.
- Lankem Technology Services Ltd., Associated Farms Ltd. and Lankem Agro Chemicals Ltd. were non-operating during the year.
- In accordance with the agreement entered into with the Board of Investment (BOI) of Sri Lanka, under Section 17 of the G.C.E.C. Law No. 04 of 1978, profits of York Hotels (Kandy) Ltd. are exempted from income tax for a period of 10 years from the year in which the Company commences to make profits or within 5 years from the year the Company commenced commercial operations whichever is earlier. The Company is also entitled to a concessionary rate of tax at 2% of its turnover for 15 years immediately after the expiry of the said 10 years tax holiday. However, BOI has given a notice of cancellation and termination of all rights, privileges and benefits conferred on the enterprise under the conduct and operation of the project with effect from 23rd November, 2002.
- In accordance with the powers conferred on the Board of Investments (BOI) of Sri Lanka under Section 17 (2) of the BOI Law No. 04 of 1978 and in terms of the Agreement Registration Number 368-29-6-92 between BOI and Marawila Resorts PLC, the Company is not liable for tax on profits from business for a period of 10 years commencing from the year of assessment 2001/02. Accordingly the Company's tax holiday has been over as of 31st March 2011 and currently the Company is liable for income tax at the rate of 12% on profit from business and 28% on other income.
- In accordance with the Section 22 (1) and 22 (2) of the Inland Revenue Act No. 10 of 2006, the profits and income of Lankem Research Ltd. is exempted from Income Tax for a period of five years commencing from the year of assessment 2006/07. The said tax exemption provision expired and the Company is liable for income tax at 10% on its taxable income for the year of assessment 2012/13, and thereafter 12% as per the Section 48 of the Inland Revenue Act No. 10 of 2006.
- Income arising from hotel operations of Sigiriya Village Hotels PLC, Galle Fort Hotel (Pvt) Ltd and Beruwala Resorts PLC, are liable for taxation at the rate of 12%. The income earned from other than the ordinary activities are liable to income tax at the rate of 28%.
- In accordance with the agreement entered in to with the Board of Investment (BOI) of Sri Lanka under section 17 Sun Agro Farms Ltd. is exempted from income tax for a period of 10 years with effect from 31st May 2008.
- The C.W. Mackie PLC and its subsidiaries are liable for income tax at 12% on taxable profits on non-traditional exports and 28% on other profits in accordance with the provisions of Inland Revenue Act No. 10 of 2006 and subsequent amendments there to.

Notes to the Financial Statements

6. Basic Earnings Per Share

The calculation of basic earnings per share is based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares in issue during the year.

	GROUP		COMPANY	
	2015	2014 Restated	2015	2014
Profit Attributable to Equity Holders of the Parent (Rs. '000)	144,554	37,868	241,061	224,375
Weighted Average Number of Ordinary Shares (No. '000)	2,535	2,535	2,535	2,535
Basic Earnings per Share (Rs.)	57.02	14.94	95.09	88.51

There were no potentially dilutive ordinary shares outstanding at any time during the year.

7. Dividend Per Share

	GROUP		COMPANY	
	2015	2014	2015	2014
Total Final Dividend Paid (Rs. '000)	31,693	25,355	31,693	25,355
Number of Ordinary Shares (No. '000)	2,535	2,535	2,535	2,535
Dividend per Share (Rs.)	12.50	10.00	12.50	10.00

7.1 Proposed Dividend

The Directors have recommended the payment of a first and final dividend of Rs. 20.00 per share (Rs. 12.50 in 2013/14) which will be declared at the Annual General Meeting to be held on 30th September 2015.

In accordance with the Sri Lanka Accounting Standard LKAS 10 - 'Events After the Reporting Period' this proposed first and final dividend has not been recognized as a liability in the Financial Statements for the year ended 31st March, 2015.

8. Property, Plant & Equipment

8.1 Company

Cost	Freehold					Leasehold					Total		
	Land Rs. '000	Buildings Rs. '000	Plant & Machinery Rs. '000	Motor Vehicles Rs. '000	Factory Equipment Rs. '000	Office Equipment Rs. '000	Lab Equipment Rs. '000	Computer Rs. '000	Furniture & Fittings Rs. '000	Plant & Machinery Rs. '000		Motor Vehicles Rs. '000	Work-In Progress Rs. '000
Balance as at 1st April 2014	453,000	333,026	521,829	53,936	11,054	23,215	7,068	21,677	17,729	87,741	18,000	34,500	1,588,775
Additions	-	18,873	150,893	636	163	1,517	1,479	3,403	544	-	-	70,495	248,003
Disposals/Transfers	-	-	(1,977)	-	-	-	-	-	-	-	-	(29,207)	(31,184)
Balance as at 31st March 2015	453,000	351,899	670,745	54,572	11,217	30,732	8,547	25,080	18,273	87,741	18,000	75,788	1,805,594
Accumulated Depreciation													
Balance as at 1st April 2014	-	58,713	310,467	39,461	4,174	26,140	2,737	12,367	15,511	30,611	16,190	-	516,371
Charge for the year	-	16,594	59,616	5,285	1,034	677	1,891	4,511	392	8,774	1,810	-	100,584
Disposal/Transfers	-	-	(1,977)	-	-	-	-	-	-	-	-	-	(1,977)
Balance as at 31st March 2015	-	75,307	368,106	44,746	5,208	26,817	4,628	16,878	15,903	39,385	18,000	-	614,978
Provision for Impairment													
Balance as at 01st April 2014	-	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	-	1,408	-	-	-	-	-	-	-	-	8,071	9,479
Balance as at 31st March 2015	-	-	1,408	-	-	-	-	-	-	-	-	8,071	9,479
Carrying Amount													
As at 31st March, 2015	453,000	276,592	301,231	9,826	6,009	3,915	3,919	8,202	2,370	48,356	-	67,717	1,181,137
As at 31st March, 2014	453,000	274,313	211,362	14,475	6,880	3,075	4,331	9,310	2,218	57,130	1,810	34,500	1,072,403

Company

Plant & Machinery includes the machinery of BIC production plant which is depreciated at the rate of 5% per annum from the financial year 2007/08. From those machinery, BIC Pen production plant has been depreciated at the rate of 10% per annum and for the financial year 2012/13, the rate has been increased to 37%.

Plant & Machinery that has been used in manufacturing of Joss sticks is depreciated at 10% from the financial year 2010/11, from 2011/2012 the machinery of Joss stick production plant has been depreciated at 50%.

Impairment Loss

During the year the Company made a provision of Rs. 1.4 Million for impairment of mosquito coil manufacturing machinery at Homagama factory and Rs. 8 Million for impairment of capital work in progress.

Notes to the Financial Statements

8.2 Group

	Freehold					Leasehold				Work - In-Progress	Total
	Land	Buildings	Plant & Machinery	Motor Vehicles	Furniture & Fittings	Immovable Lease Assets	Plant & Machinery	Motor Vehicles	Furniture & Fittings		
Cost	Rs.'000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Balance as at 1st April 2014 (Restated)	2,864,542	2,713,597	1,808,684	361,343	960,150	38,416	88,328	249,119	9,081	235,943	9,329,203
on Acquisition of Subsidiary	51,050	294,431	783,481	13,348	33,907	2,112	-	33,094	-	36,248	1,247,671
Additions	314,659	389,144	248,520	53,278	126,041	13,537	-	-	-	103,744	1,248,923
Disposals / Transfers	-	11,590	(44,850)	(8,542)	(614)	-	(1,800)	(40,581)	-	(60,545)	(145,342)
Balance as at 31st March 2015	3,230,251	3,408,762	2,795,835	419,427	1,119,484	54,065	86,528	241,632	9,081	315,390	11,680,455
Accumulated Depreciation											
Balance as at 1st April 2014 (Restated)	-	534,152	958,947	267,023	565,699	8,881	27,015	139,882	5,627	-	2,507,226
On Acquisition of Subsidiary	-	55,716	276,091	5,486	24,731	678	-	28,673	-	-	391,375
Charge for the year	-	102,854	172,522	33,882	108,560	3,246	8,852	36,494	327	-	466,737
Disposal/Transfers	-	-	(16,310)	(13,207)	(5,172)	-	(546)	(26,895)	(1,628)	-	(63,758)
Balance as at 31st March 2015	-	692,722	1,391,250	293,184	693,818	12,805	35,321	178,154	4,326	-	3,301,580
Provision for Impairment											
Balance as at 1st April 2014 (Restated)	-	-	29,854	-	1,381	-	-	-	-	-	31,235
Charge for the year	-	-	1,408	-	-	-	-	-	-	88,260	89,668
Disposals/ Transfers	-	-	(27,207)	-	-	-	-	-	-	-	(27,207)
Balance as at 31st March 2015	-	-	4,055	-	1,381	-	-	-	-	88,260	93,696
Carrying Amount											
As at 31st March 2015	3,230,251	2,716,040	1,400,530	126,243	424,285	41,260	51,207	63,478	4,755	227,130	8,285,179
As at 31st March 2014	2,864,542	2,179,445	819,883	94,320	393,070	29,535	61,313	109,237	3,454	235,943	6,790,742

8.3 Provision for Impairment on Capital work in Progress

Provision for impairment on capital work in progress include impairment provision of Rs.80 Mn made by York Hotels (Kandy) Limited based on a valuation carried out by Messers R.S.Wijesuriya, an independent valuer.

8.4 C.W. Mackie PLC

Leasehold Immovable asset include Land & Building of C.W. Mackies PLC, a subsidiary of the Company, which has premises No. 34 and 36, D.R. Wijewardena Mawatha, Colombo 10, and has been leased for a period of 60 years, 8 months and 10 days (being the residue of the unexpired term under indenture of lease by the Crown dated 10th June, 1925 granting the Company a 99 year lease of the premises from the said date) in terms of the Grants to the Company dated 22nd September, 1964 under the Crown Lands Ordinance. At the time of handing over the possession of the premises, the Company is not entitled to any compensation in respect of the land, buildings or improvements thereon.

8.5 Beruwala Resorts PLC.

Beruwala Resorts PLC., a subsidiary, have constructed building on a land which was leased out from Sri Lanka Tourism Development Authority for 30 years commencing from 1st August, 2007. The lease period will expire on 31st July, 2037. The Company has paid Rs. 1,836,000/- in year 2014/15 (2013/14 - Rs. 1,832,826/-).

- 8.6 Each company in the Group has evaluated both internal and external indications of impairment of long lived assets and has not identified presence of any of such indications at the end of the financial year.
- 8.7 Property, Plant & Equipment pledged as securities in obtaining loans have been disclosed in Note 20.6 to these Financial Statements.
- 8.8 The gross carrying amount of fully depreciated Property, Plant and Equipment of the Group, which are still in use as at 31st March 2015 is Rs.866 Mn. The cost of fully depreciated assets of the Company amounts to Rs. 360 million.
- 8.9 During the year under review, the Group has not capitalized any borrowing cost.

8.10 Property, Plant & Equipment Extent

Details of Group's land and buildings consist of the following;

Company Name	Location	Extent Perches	No. of Buildings	Effective Date of the Latest Revaluation	Carrying Amount of Land 31st March 2015 Rs.' 000
E. B. Creasy & Company PLC	Sri Sanagaraja Mawatha, Colombo 10	38	2	31.03.2010	453,000
Creasy Foods Ltd.	Ekala, Ja- Ela	160	-	31.03.2010	32,000
Laxapana Batteries PLC	Homagama	584	3	31.03.2014	101,675
Lankem Ceylon PLC	St. Anthony's Road, Ekala Kuriduwatta	480	11	31.03.2010	33,600
	Maithree Mawatha, Ekala	240	4	31.03.2010	27,000
	Maguruwila Road, Gonawala	881	8	31.03.2010	43,198
	Kandathoduwawa, Puttlam	4,055	2	31.03.2010	7,350
	Nawam Mawatha, Colombo 02	40	1	-	300,817
Marawila Resorts PLC	Marawila	4,344	50	31.03.2010	880,948
Sigiriya Village Hotels PLC	Sigiriya	5,600	39	-	151,947
York Hotels (Kandy) Ltd.	Halolouwa, Katugastota	1,036	2	31.03.2010	150,121
Galle Fort Hotel (Pvt) Ltd.	Galle Fort, Galle	65	8	30.09.2011	314,425
B.O.T. Hotel Services (Pvt) Ltd.	Kapparathota Road Weligama	525	1	02.04.2010	361,805
Beruwala Resorts PLC	Moragalla Beruwala	1572	-	-	265
JF Packaging (Pvt) Ltd	Minuwangoda Road, Kotugoda.	350	4	-	39,800
Ceylon Tapes (Pvt) Ltd	Samagi Mawatha, Ja-Ela	45	3	17.11.2012	11,250
C. W. Mackie PLC	Scan Bottling Plant Munagama, Horana	604	13		
	Ceymac Rubber Company Limited, Industrial Estate Aramanagolla, Horana.	800	11	31.03.2011	321,050
	Ceymac Rubber Company Limited, Thebuwana, Narthupana	850	8		
	Kelani Valley Canneries Limited Kaluaggala-Hanwella	355	7		
Total					3,230,251

Notes to the Financial Statements

9. Investment Property

	GROUP	
	31.03. 2015 Rs. '000	31.03. 2014 Rs. '000 Restated
Cost		
At the beginning of the year	86,863	62,344
Additions during the year	-	24,519
At the end of the year	86,863	86,863
Accumulated Depreciation		
At the beginning of the year	14,294	9,488
Charge for the year	4,995	4,806
At the end of the year	19,289	14,294
Carrying Amount	67,574	72,569

The investment property consist of investment property held by C.W. Mackie PLC and Galle Fort Hotel (Pvt) Ltd.

C. W. Mackie PLC

The Company has rented out a part of C. W. Mackie PLC Building Complex and the value of Land and Building of that part has been classified as 'Investment Property' and accounted on 'cost model' as required by LKAS 40 - 'Investment Property'.

As per the valuation carried out on 31st March 2015, by Mr. K. T. D. Tissera, an Independent professional Valuer J. P. U. M. Diploma in Valuation (Sri Lanka), F. R. I. C. S (Eng). F. I. V. (Sri Lanka), Chartered Valuation Surveyor, fair value of the investment property as at 31st March 2015 is Rs. 47 million. These properties were valued on an open market value for existing use basis.

Rent income is included in the Statement of Profit or Loss and Other Comprehensive Income as:

<i>For the year ended 31st March</i>	GROUP	
	2015 Rs.' 000	2014 Rs.' 000
Rent income	77,619	71,140
Direct operating expenses arising from investment property that generated rental income during the year	16,052	21,127

Location	Extent	No. of Building
No. 56, DR Wijewardane Mw, Colombo 10	52,933 Sqft	2

10.1 Leasehold Right to Land

	GROUP	
	31.03. 2015 Rs. '000	31.03. 2014 Rs. '000 Restated
Cost		
At the beginning of the year	2,555	2,555
At the end of the year (Note 10.1.1)	2,555	2,555
Accumulated Amortization		
At the beginning of the year	2,555	242
Impairment Loss on Leasehold Right to Land	-	2,225
Amortization Charge for the year	-	88
At the end of the year	2,555	2,555
Carrying Amount	-	-

10.1.1 Leasehold Right to Land - Cost

	GROUP	
	31.03. 2015 Rs. '000	31.03. 2014 Rs. '000 Restated
Sunagro Farms Ltd. (Note a)	2,555	2,555
Impairment loss	(2,555)	(2,555)
Carrying Amount	-	-

a) Sunagro Farms Ltd.

Sun Agro Farms Ltd, a subsidiary of the Company acquired an agricultural land on 21st June, 2010 on a 29 year lease from the Department of Buddhist Affairs is amortized over the period of lease. However, the balance was impaired as of previous reporting date.

10.2 Biological Assets.

	GROUP			
	Mature Plantations Rs.'000	Immature Plantations Rs.'000	Total 31.03.2015 Rs.'000	Total 31.03.2014 Rs.'000 Restated
Cost				
At the beginning of the year	3,020	-	3,020	23,068
Additions/Transfers during the year	-	-	-	412
Impairment loss on Immature Plantation	-	-	-	(20,460)
At the end of the year	3,020	-	3,020	3,020
Accumulated Depreciation				
At the beginning of the year	3,020	-	3,020	2,516
Charge for the year	-	-	-	504
At the end of the year	3,020	-	3,020	3,020
Carrying amount	-	-	-	-

The requirement of recognition of bearer biological assets at its fairvalue less cost to sell under LKAS 41 was superseded by the ruling issued on 2nd March 2012, by the Institute of Chartered Accountants of Sri Lanka. Accordingly, the Group has elected to measure the bearer biological assets at cost using LKAS 16 - Property, Plant and Equipment.

Notes to the Financial Statements

11. Intangible Assets

	GROUP	
	31.03. 2015 Rs. '000	31.03. 2014 Rs. '000 Restated
11.1 Goodwill (Note 11.1.1)		
At the beginning of the year	440,921	440,921
Acquisition through Business Combination	176,718	-
Provision for Impairment (Note 11.1.2)	(24,544)	-
At the end of the year	593,095	440,921
11.2 Trade Mark (Note 11.2.1)		
Cost		
At the beginning of the year	1,150	1,150
At the end of the year	1,150	1,150
Amortization		
At the beginning of the year	1,150	1,150
At the end of the year	1,150	1,150
Carrying Amount	-	-
11.3 Software		
Cost		
At the beginning of the year	690	1,368
On Acquisition of Subsidiary	2,358	-
Disposal during the year	-	(678)
At the end of the year	3,048	690
Amortization		
At the beginning of the year	405	767
On Acquisition of Subsidiary	1,573	-
Amortized during the year	57	120
Disposal during the year	-	(482)
At the end of the year	2,035	405
Carrying Amount	1,013	285
Total	594,108	441,206

11.1.1 Goodwill

This represents the excess of the cost of acquisition of the net assets of the following companies. The aggregated carrying amount of goodwill allocated to each company is as follows:

Cost	GROUP	
	31st March 2015 Rs. '000	31st March 2014 Rs.'000 Restated
Name of the Subsidiary		
Muller and Phipps (Ceylon) PLC	146,628	146,628
Laxapana Batteries PLC	6,605	6,605
Lankem Ceylon PLC	10,760	10,760
C. W. Mackie PLC	68,815	68,815
Galle Fort Hotel (Pvt) Ltd.	183,569	183,569
Ceylon Tapes (Pvt) Limited	11,267	-
J.F.Packaging (Pvt) Limited	129,323	-
Lanka Special Steels Limited	36,128	-
Muller and Phipps (Agencies) Limited.	-	2,053
Marawila Resorts PLC	-	3,197
Island Consumer Supplies (Pvt) Ltd.	-	1,507
York Hotels (Kandy) Ltd.	-	15,733
Sigiriya Village Hotels PLC	-	2,054
	593,095	440,921

11.1.2 Impairment of Goodwill

Based on the impairment assessment, the following goodwill were impaired during the year

	GROUP	
	2015 Rs. '000	2014 Rs.'000
Island Consumer Supplies (Pvt) Ltd	1,507	-
Marawila Resorts PLC	3,197	-
Muller & Phipps (Agencies) Limited	2,053	-
Sigiriya Village Hotels PLC	2,054	-
York Hotels (Kandy) Ltd	15,733	-
	24,544	-

Methods used in estimating recoverable amounts are given below:

The recoverable value of C. W. Mackie PLC was based on fair value less cost to sell and the others were based on value in use. Value in use is determined by discounting the future cash flows generated from the investment. Key assumptions used are given below:

- (i) Business Growth - Based on historical growth rate & business plan
- (ii) Inflation - Based on current inflation & the percentage of the total cost subjected to the inflation
- (iii) Discount Rate - Average market borrowing rate adjusted for risk premium
- (iv) Margin - Based on current margin & business plan

11.2.1 Trade Mark

Darley Butler & Company Ltd., a subsidiary of the Company has paid an amount of Rs. 1.15 million in the year of 2008/09 to Adamjee Pharma (Pvt) Ltd. to acquire the agency right of Navana Pharmaceutical Ltd. which was amortized over the Company's Agency Right Period - 03 Years.

Notes to the Financial Statements

12. Investments

12.1 Investments in Subsidiaries

	COMPANY									
	31.03.2015					31.03.2014				
	No. of shares	Company Holding %	Group Holding %	Cost as at 31.03.2015 Rs. '000	Market Value Rs. '000	No. of Shares	Company Holding %	Group Holding %	Cost as at 31.03.2014 Rs. '000	Market Value Rs. '000
Investee										
Quoted Investments										
Lankem Ceylon PLC	10,974,635	46	48	261,321	1,131,485	10,974,635	46	48	261,321	1,097,464
Laxapana Batteries PLC	20,114,338	52	52	133,857	92,531	20,114,338	52	52	133,857	70,404
Muller & Phipps (Ceylon) PLC	145,061,773	51	51	189,385	174,074	145,061,773	51	51	189,385	174,074
				584,563	1,398,090				584,563	1,341,942
Unquoted Investments										
Darley Butler & Co. Ltd.	4,999,964	100	100	2,865	-	4,999,964	100	100	2,865	-
Creasy Foods Ltd.	570,000	100	100	21,333	-	570,000	100	100	21,333	-
Filmpak Ltd.	150,000	100	100	1,500	-	150,000	100	100	1,500	-
Group Three Associates (Pvt) Ltd.	1,200	100	100	12	-	1,200	100	100	12	-
Island Consumer Supplies (Pvt) Ltd.	120,000	100	100	4,967	-	120,000	100	100	4,967	-
Corporate Systems Ltd.	10,000	100	100	100	-	10,000	100	100	100	-
E. B. Creasy Logistics Ltd.	50,000	100	100	500	-	50,000	100	100	500	-
York Hotels (Kandy) Ltd.	396,493	0.18	26	396	-	396,493	0.18	26	396	-
Lanka Special Steels Limited	2500,000	100	100	442,782	-	-	-	-	-	-
				474,455	-				31,673	
Less: Provision for Fall-in Value of Investment (Note 12.1.1)				(1,500)					(1,500)	
				472,955					30,173	
				1,057,518					614,736	

12.1.1 Provision for fall in value in Investments

The Company has 100% holding in Filmpak Ltd., as at the reporting date. Filmpak Ltd. has reported a net profit of Rs. 4.4 million during the period ended 31st December 2013. The Accumulated losses were Rs. 1.5 million and also the Company has ceased its operations since April 1993. Therefore, E.B. Creasy & Company PLC has made 100% provision on the investment made in Filmpak Ltd.

12.2 Financial Assets Available - for - Sale

12.2.1 Company

	COMPANY			
	31.03.2015		31.03.2014	
	No. of shares	Market Value Rs. '000	No. of Shares	Market Value Rs. '000
Quoted Investments				
DFCC Bank PLC	11,162	2,264	11,162	1,606
ACME Printing & Packaging PLC	10,000	86	-	-
Total Investment		2,350		1,606

12.2.2 Group

	GROUP			
	31.03.2015		31.03.2014	
	No. of shares	Market Value Rs. '000	No. of Shares	Market Value Rs. '000 Restated
Quoted Investments				
Hunas Falls Hotels PLC	400	24	400	19
Pegasus Resorts PLC.	960	39	960	36
York Arcade Holdings PLC	90,000	1,350	90,000	845
CM Holdings PLC	95,640	11,945	477,941	39,430
Commercial Development Company PLC	600	60	600	43
DFCC Bank PLC	11,162	2,265	11,162	1,606
Renuka City Hotels PLC	525	173	525	138
Trans Asia Hotels PLC	400	38	400	32
Hotel Sigiriya PLC	14,000	1,230	14,000	1,092
Colombo Dockyard PLC	269	44	269	47
Kotagala Plantations PLC	903,680	5,422	903,680	4,066
Lankem Developments PLC	321,720	15,211	257,377	11,260
Royal Palms Beach Hotels PLC	375	14	375	12
Nation Trust Bank PLC	6,365	637	-	-
Chevron Lubricants Lanka PLC	6,000	2,357	-	-
National Development Bank PLC	5,514	1,367	-	-
Ceylon Hospitals PLC	130	15	-	-
ACME Printing & Pckaging PLC	10,000	86	-	-
Access Engineering PLC	400,000	7,681	-	-
Hemas Holding PLC	100,000	7,370	100,000	2,885
Others	-	2,406	-	-
	-	59,734	-	61,511
Unquoted Investments				
Ceylon Biscuits Ltd. - Ordinary	5,041,680	186,861	5,041,680	159,284
International Manufacturers Ltd.	3,300	23	3,300	23
Fareastern Exports Limited	-	-	150,000	1,670
Nano Technology (Pvt) Ltd	3,810,182	50,000	3,810,182	50,000
Dutch Dairy International (Pvt.) Ltd.	-	5,400	-	5,400
Asia Pasific Golf Courses Limited	2,500	250	-	-
Lankem Tea & Rubber Plantation (Pvt) Ltd	8,342	1,998	8,342	1,997
Other	-	12,276	-	12,776
	-	256,808	-	231,150
Less: Provision for fall in Value of Investment	-	(5,400)	-	(5,400)
	-	251,408	-	225,750
Unit Trusts				
National Equity Fund (NAMAL)	366,513	11,959	350,687	10,647
Pyramid unit Trust	-	-	-	1,995
Comtrust Equity Fund	-	-	-	1,608
	-	11,959	-	14,250
Investment in Debentures				
Kotagala Plantations PLC	-	50,000	-	-
Lankem Tea & Rubber Plantations (Pvt) Ltd	-	98,500	-	278,500
Bank of Ceylon	-	5,000	-	-
	-	153,500	-	278,500
Loans And Receivable				
Lankem Plantation Holdings Ltd	-	60,000	-	60,000
Total		536,601		640,012

Notes to the Financial Statements

12.3 Investments Classified as Fair Value through Profit or Loss

	GROUP			
	31.03.2015		31.03.2014	
	No. of Shares	Market Shares Value Rs. '000	No. of Shares	Market Shares Value Rs. '000 Restated
Dialog Axiata PLC	-	-	1,000	9
Nations Trust Bank PLC	44,600	4,464	44,600	2,895
Janashakthi Insurance Company PLC	-	-	153,900	2,078
Tokyo Cement Company (Lanka) PLC (Non-Voting)	103,290	3,863	103,290	2,995
Tokyo Cement Company (Lanka) PLC (Voting)	314,490	17,266	314,490	11,385
CM Holdings PLC	338,547	42,285	-	-
Colombo Fort Investment PLC	-	-	7,250	588
Capital Alliance Finance PLC	3,544,580	48,561	3,609,969	52,706
Infrastructure Developers PLC	3,977,200	55,283	795,555	82,340
Renuka Holdings PLC	-	-	113,437	3,573
Orient Garments PLC	613,410	6,809	1,452,020	12,487
Coco Lanka PLC	200,000	5,380	-	-
HVA Foods PLC	-	-	959,500	9,019
Union Bank of Colombo PLC	384,000	9,254	-	-
MTD Walkers PLC	87,960	4,081	-	-
Total		197,246		180,075

Notes to the Financial Statements

12.4 Group Companies Investment in Subsidiaries

Investor	Investee	% Holding		No. of Shares as at		
		31.03.2015	31.03.2014	31.03.2015	31.03.2014	
Darley Butler & Company Ltd	Laxapana Batteries PLC	0.00	0.00	6	6	
	Lankem Ceylon PLC	2.24	2.24	536,614	536,614	
	Marawila Resorts PLC	0.00	0.00	94	94	
Creasy Foods Ltd.	Lankem Ceylon PLC	0.10	0.10	20,420	20,420	
Island Consumer Supplies (Pvt) Ltd.	Marawila Resorts PLC	0.06	0.06	78,000	78,000	
Sigiriya Village Hotels PLC	Sigiriya Village Hotels PLC	0.69	0.69	61,762	61,762	
	Beruwala Resorts PLC	0.01	0.01	30,000	30,000	
	Lankem Plantation Holdings Ltd.	0.00	0.00	1	1	
	Lankem Ceylon PLC	0.00	0.00	536	536	
	Colombo Fort Hotels Ltd.	6.91	5.78	233,620,000	193,320,000	
	Creasy Plantation Management Ltd.	41.00	41.00	122,993	122,993	
	Lankem Ceylon PLC	Sigiriya Village Hotels PLC	23.15	23.15	2,083,760	2,083,760
		Colombo Fort Hotels Ltd.	68.84	69.68	2,329,326,024	2,329,326,024
Lankem Plantation Services Ltd.		60.00	60.00	179,993	179,993	
Beruwala Resorts PLC		0.01	0.01	83,965	83,965	
Lankem Exports (Pvt) Ltd.		100.00	100.00	10,000	10,000	
Marawila Resorts PLC		13.63	13.63	16,700,919	16,700,919	
Lankem Paints Ltd.		100.00	100.00	2,000,000	2,000,000	
Lankem Consumer Products Ltd.		100.00	100.00	2,000,000	2,000,000	
Lankem Chemicals Ltd.		100.00	100.00	2,000,000	2,000,000	
Lankem Research Ltd.		100.00	100.00	250,000	250,000	
SunAgro LifeScience Ltd.		100.00	100.00	199,993	199,993	
SunAgro Farms Ltd.		100.00	100.00	1,199,996	1,199,996	
SunAgro Foods Ltd		100.00	100.00	4,999,994	4,999,994	
Associated Farms Ltd.		99.99	99.99	55,398	55,398	
Lankem Technology Services Ltd.		100.00	100.00	5,000,000	5,000,000	
C. W. Mackie PLC		39.03	39.03	14,046,811	14,046,811	
Sigiriya Village Hotels PLC		Ceylon Tapes (Pvt) Ltd	100.00	-	820,000	-
	J.F. Packaging (Pvt) Ltd	72.50	-	488,034	-	
Sigiriya Village Hotels PLC	Marawila Resorts PLC	0.23	0.23	281,260	281,260	
	Beruwala Resorts PLC	14.23	14.23	85,384,000	85,384,000	
	York Hotels (Kandy) Ltd.	41.70	41.70	90,000,000	90,000,000	
Colombo Fort Hotels Ltd..	Marawila Resorts PLC	37.59	37.59	46,043,261	46,043,261	
	Beruwala Resorts PLC	65.58	65.58	393,497,345	393,497,345	
	Sigiriya Village Hotels PLC	41.16	41.16	3,704,274	3,704,274	
	Galle Fort Hotels Ltd.	100.00	100.00	9,931,512	9,931,512	
	York Hotels (Kandy) Ltd.	16.41	16.41	35,430,111	35,430,111	
Marawila Resorts PLC	Beruwala Resorts PLC	0.01	0.01	30,000	30,000	
C. W. Mackie PLC	Ceymac Rubber Company Ltd.	98.72	98.72	3,148,551	3,148,551	
	Ceytra (Pvt) Ltd.	62.82	62.82	1,884,600	1,884,600	
	Scan Tours & Travels (Pvt) Ltd.	100.00	100	600,000	600,000	
	Kelani Valley Canneries Ltd.	88.26	88.23	30,351,222	30,351,222	
Muller & Phipps (Ceylon) PLC	Pettah Pharmacy (Pvt) Ltd.	100.00	100.00	1,500,000	1,500,000	
Pettah Pharmacy (Pvt) Ltd.	Beruwala Resorts PLC	0.01	0.01	30,000	30,000	
	Colombo Fort Hotels Ltd.	0.95	0.95	31,880,000	31,880,000	
Beruwala Resorts PLC	BOT Hotel Services Ltd.	100.00	100.00	282,872	282,872	

Notes to the Financial Statements

13. Investment in Equity Accounted Investees

13.1 Investment in Equity Accounted Investees -Cost

Investment in Associates

Name of the Investee	Principal Business Activity	As at 31st March 2015			As at 31st March 2014		
		Ownership interest %	Cost Rs.'000	Carrying Value Rs.'000	Ownership interest %	Cost Rs.'000	Carrying Value Rs.'000
Lankem Plantation Holdings Limited	Investing in Plantations	22.81	220,500	220,500	22.81	220,500	220,500
Waverly Power (Pvt) Ltd	Generating Electricity for the National grid	20.91	102,000	102,000	20.91	102,000	102,000
Total			322,500	322,500	-	322,500	322,500

13.2 Investment in Equity Accounted Investees -Equity Method

Summarized Financial Information of Equity Accounted investees

	2015			2014		
	Lankem Plantation Holdings Ltd Rs.'000	Waverly Power (Pvt) Ltd Rs.'000	Total Rs.'000	Lankem Plantation Holdings Ltd Rs.'000	Waverly Power (Pvt) Ltd Rs.'000	Total Rs.'000
Non- Current assets	11,537,331	215,391	11,752,722	10,887,854	228,007	11,115,861
Current assets	5,339,254	46,343	5,385,597	5,192,670	31,971	5,224,641
Total assets	16,876,585	261,734	17,138,319	16,080,524	259,978	16,340,502
Non- Current liabilities	(6,487,202)	(117,925)	(6,605,127)	(5,587,183)	(139,729)	(5,726,912)
Current Liabilities	(7,370,835)	(30,015)	(7,400,850)	(6,682,096)	(35,371)	(6,717,467)
Total Liabilities	(13,858,037)	(147,940)	(14,005,977)	(12,269,279)	(175,100)	(12,444,379)
Net Assets	3,018,548	113,794	3,132,342	3,811,245	84,878	3,896,123
Minority Interest	(972,577)	-	(972,752)	(1,256,113)	-	(1,256,113)
	2,045,971	113,794	2,159,590	2,555,132	84,878	2,640,010
Ownership Interest %	22.81%	20.91%		22.81%	20.91%	
Investee share of net assets	466,686	23,793	490,479	582,826	17,748	600,574
Goodwill	14,772	31,175	45,947	14,772	31,175	45,947
Carrying amount of interest	481,458	54,968	536,426	597,598	48,923	646,521
Revenue	13,724,826	84,509	13,809,335	13,902,416	-	13,902,416
Depreciation and Amortization	(429,583)	(14,673)	(444,256)	(373,582)	-	(373,582)
Interest expenses	(742,121)	(19,448)	(761,569)	(860,829)	-	(860,829)
Expenses	(13,062,285)	(21,472)	(13,083,757)	(12,806,414)	-	(12,806,414)
Elimination of unrealized profits	-	-	-	-	-	-
Investees share of profits and Other Comprehensive Income	(116,140)	6,046	(110,094)	(31,571)		(31,571)

14. Inventories

	GROUP		COMPANY	
	31.03.2015 Rs. '000	31.03.2014 Rs. '000 Restated	31.03.2015 Rs. '000	31.03.2014 Rs. '000
Raw Materials	1,357,472	923,798	291,465	237,932
Work-in-Progress	80,435	64,413	8,645	5,190
Finished Goods	1,515,368	1,636,447	103,752	177,076
General and Others	39,580	53,350	34,018	35,745
Consumable Stocks	67,500	60,919	-	-
Goods-in-Transit	331,635	453,777	168,952	139,693
	3,391,990	3,192,704	606,832	595,636
Provision for Obsolete Inventories	(81,537)	(105,935)	(23,665)	(6,383)
	3,310,453	3,086,769	583,167	589,253

Inventories pledged as securities in obtaining loan are disclosed in Note 20.7

Notes to the Financial Statements

15. Amount Due from Related Companies

	Relationship	GROUP		COMPANY	
		31.03.2015 Rs. '000	31.03.2014 Rs. '000 Restated	31.03.2015 Rs. '000	31.03.2014 Rs. '000
Lankem Developments PLC	Affiliate	32,321	46,091	1,517	1,517
E.B.C. Milk Foods Ltd.	Subsidiary	1,095	1,025	1,095	1,025
American Lloyd Travels Ltd.	Affiliate	600	600	600	600
Kotagala Plantations PLC	Affiliate	17,064	6,232	-	510
The Colombo Fort Land & Buildings PLC	Parent	109,921	85,043	-	-
Lankem Plantation Holdings Ltd	Associate	12,146	6,750	-	-
Sherwood Holidays Ltd.	Affiliate	56,364	10,187	-	-
York Hotel Management Services Ltd.	Affiliate	10,332	8,584	-	-
Kia Motors (Lanka) Ltd.	Affiliate	590	388	-	-
Lankem Tea & Rubber Plantations (Pvt) Ltd.	Affiliate	34,553	41,486	-	-
Agarapathana Plantations Ltd.	Affiliate	11,152	4,803	-	-
Darley Butler Food Products Ltd.	Affiliate	690	690	-	-
Oral Care (Pvt) Ltd.	Affiliate	1,524	1,524	-	-
Cosmopoly (Private) Limited	Affiliate	5,604	-	-	-
J.F.Barrier Films (Private) Limited	Affiliate	76,621	-	-	-
J.F.Lanka Hotels & Tours (Pvt) Ltd	Affiliate	1,353	-	-	-
Filmpak Ltd.	Subsidiary	-	-	4,607	4,460
Corporate Systems Ltd.	Subsidiary	-	-	268	110
E.B. Creasy Logistics Ltd.	Subsidiary	-	-	2,563	57
Pettah Pharmacy (Pvt) Ltd.	Subsidiary	-	-	115	658
Creasy Foods Ltd.	Subsidiary	-	-	5,058	19,195
Darley Butter & Company Ltd	Subsidiary	-	-	578,726	99,565
Lankem Ceylon PLC	Subsidiary	-	-	37,539	33,335
Marawila Resorts PLC	Subsidiary	-	-	141	58
Beruwala Resorts PLC	Affiliate	-	-	62	67
C M Holdings PLC	Affiliate	-	10,283	-	10,240
Corporate Managers & Secretaries (Private) Ltd.	Affiliate	-	264	-	-
Ceylon Trading Company Ltd.	Affiliate	-	230	-	-
Waverly Power (Pvt) Ltd	Associate	-	6,600	-	-
Financial Trust Ltd.	Affiliate	-	78,000	-	-
Sigiriya Village Hotels PLC	Subsidiary	-	-	48	-
Lankem Consumer Products (Private) Ltd.	Subsidiary	-	-	1	-
Lankem Agro Ltd.	Subsidiary	-	-	85	-
C. W. Mackie PLC	Subsidiary	-	-	-	1,870
		371,930	308,780	632,425	173,267
Less: Provision for bad & doubtful debts		(33,162)	(3,356)	(5,970)	(5,486)
		338,768	305,424	626,455	167,781

The Company do not charge interest on balance due form related companies. The terms of the recovery of the aforesaid balances had not been agreed as at the reporting date.

16. Trade and Other Receivables

	GROUP		COMPANY	
	31.03.2015 Rs. '000	31.03.2014 Rs. '000 Restated	31.03.2015 Rs. '000	31.03.2014 Rs. '000
Trade Receivables	4,598,269	4,181,538	105,741	90,231
Provision for Bad and Doubtful Debts	(245,241)	(99,575)	(259)	(259)
	4,353,028	4,081,963	105,482	89,972
Other Debtors	156,325	310,435	-	-
Deposits and Prepayments	124,062	161,601	5,463	22,113
Employee Advances	28,785	1,411	-	-
Other Tax Recoverable	263,473	340,951	42,475	42,028
Other Receivables (Note 16.1)	245,664	226,206	13,458	29,508
	5,171,337	5,122,567	166,878	183,621

16.1 Other Receivables

Other receivables include loans over Rs. 20,000/- disbursed to staff and the movement of such staff loans are as follows:

	GROUP		COMPANY	
	31.03.2015 Rs. '000	31.03.2014 Rs. '000 Restated	31.03.2015 Rs. '000	31.03.2014 Rs. '000
At the Beginning of the year	8,809	8,981	168	42
Loans granted during the year	15,357	2,374	496	1,339
Recoveries during the year	(14,372)	(2,546)	(352)	(1,213)
At the end of the year	9,794	8,809	312	168

17. Cash & Cash Equivalents

17.1 Favourable Balance

	GROUP		COMPANY	
	31.03.2015 Rs. '000	31.03.2014 Rs. '000 Restated	31.03.2015 Rs. '000	31.03.2014 Rs. '000
Cash In Hand	13,276	28,339	898	913
Cash at Bank	348,417	269,880	53,794	62,834
Fixed Deposits	252,911	157,309	-	45,000
Cash in Transit	3,751	45,116	-	-
	618,355	500,644	54,692	108,747

17.2 Unfavourable Balance

Bank Overdrafts	(1,430,749)	(1,792,069)	(226,378)	(219,349)
	(812,394)	(1,291,425)	(171,686)	(110,602)

Notes to the Financial Statements

17.2.1 Security Details Over Bank Overdraft Facilities

Company

The bank overdraft facility of Hatton National Bank PLC is secured by existing primary concurrent floating mortgage totaling to Rs. 36 million over land & building situated at No. 98, Sri Sangaraja Mawatha, Colombo 10.

The bank overdraft facilities of Sampath Bank PLC is secured by Lankem Ceylon PLC shares to the value Rs. 20 million lodged in the custodial accounts.

The bank overdraft facilities of Bank of Ceylon is secured by 2.5 million numbers of Lankem Ceylon PLC shares.

The bank overdraft Facility of Commercial Bank of Ceylon PLC is secured by primary mortgage for Rs. 91.8 million over the property at No. 53 1/1, 53 2/1, & 57, Sir Baron Jayatilake Mawatha, Colombo 01, belonging to Colombo Fort Land & Building PLC (Parent Company) and secondary mortgage bond for Rs. 83 Mn executed over the same.

Group

Creasy Foods Ltd.

The bank overdraft is secured on the land, buildings and stocks at Unit Three - Industrial Estate, Ekala, Ja-Ela

18. Stated Capital

	GROUP		COMPANY	
	31.03.2015 Rs. '000	31.03.2014 Rs. '000	31.03.2015 Rs. '000	31.03.2014 Rs. '000
Issued and Fully Paid				
2,535,458 Ordinary Shares	25,731	25,731	25,731	25,731

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per individual present at meetings of the shareholders or one vote per share in the case of a poll.

19. Capital Reserves and General Reserves

19.1 Capital Reserves

Capital reserve is the reserve arising from the consolidation.

19.2 General Reserve

General reserve is the reserve set aside for general purposes.

20. Interest-Bearing Loans and Borrowings

20.1. Amount Payable after one year

	GROUP		COMPANY	
	31.03.2015 Rs. '000	31.03.2014 Rs. '000 Restated	31.03.2015 Rs. '000	31.03.2014 Rs. '000
Long-Term Loans (Note 20.5)	1,881,606	1,161,602	137,235	237,630
Debenture (Note 20.6)	200,000	350,000	-	-
Finance Lease Obligations (Note 20.3)	29,927	71,623	1,378	8,341
	2,111,533	1,583,225	138,613	245,971

20.2 Amount Payable within One Year

	GROUP		COMPANY	
	31.03.2015 Rs. '000	31.03.2014 Rs. '000 Restated	31.03.2015 Rs. '000	31.03.2014 Rs. '000
Short-Term Loans	2,733,660	1,702,032	312,302	-
Debenture (Note 20.6)	150,000	-	-	-
Long Term Loans (Note 20.5)	1,213,397	328,407	562,605	111,733
Trust Receipt Loan (Note 20.7)	847,373	987,759	247,996	218,408
Finance Lease obligations (Note 20.3)	53,924	67,390	5,997	18,990
	4,998,354	3,085,588	1,128,900	349,131

20.3 Finance Lease Obligations

At the beginning of the Year	167,429	261,772	30,103	56,935
On Acquisition of Subsidiary	9,599	1,388	-	-
Accrued Default Interest during the Year	639	(14)	29	-
Leases obtained during the Year	-	24,031	-	-
Repayments made during the Year	(81,017)	(119,748)	(22,093)	(26,832)
At the end of the Year	96,650	167,429	8,039	30,103
Finance Charge Unamortized	(12,799)	(28,416)	(664)	(2,772)
Net Lease Obligations	83,851	139,013	7,375	27,331

Note - A

Analysis of finance lease obligations by year of repayment.

	GROUP		COMPANY	
	31.03.2015 Rs. '000	31.03.2014 Rs. '000 Restated	31.03.2015 Rs. '000	31.03.2014 Rs. '000
Net Lease Obligations Repayable within One Year from Year end				
Gross Liability	63,517	84,271	6,537	21,000
Finance Charge Unamortized	(9,593)	(16,881)	(540)	(2,010)
Net Lease Obligations Repayable within One Year from Year end	53,924	67,390	5,997	18,990
Finance Lease Obligation Repayable after One Year end				
Gross liability	33,133	83,158	1,502	9,103
Finance Charge Unamortized	(3,206)	(11,535)	(124)	(762)
Net Lease Obligations Repayable after One Year from Year end	29,927	71,623	1,378	8,341

Notes to the Financial Statements

20.5 Term Loan

	GROUP		COMPANY	
	31.03.2015 Rs. '000	31.03.2014 Rs. '000 Restated	31.03.2015 Rs. '000	31.03.2014 Rs. '000
At the beginning of the Year	1,490,009	1,478,691	349,363	343,326
Obtained during the Year	1,894,046	571,944	479,513	117,742
Repayment during the Year	(522,075)	(578,188)	(129,036)	(111,705)
Exchange Fluctuation	13,122	17,562	-	-
On Acquisition of Subsidiary	219,901	-	-	-
Balance at the end of the Year	3,095,003	1,490,009	699,840	349,363
Loan Repayable within One Year	(1,213,397)	(328,407)	(562,605)	(111,733)
Loan Repayable after One Year	1,881,606	1,161,602	137,235	237,630

20.6 Debentures

	GROUP		COMPANY	
	31.03.2015 Rs. '000	31.03.2014 Rs. '000 Restated	31.03.2015 Rs. '000	31.03.2014 Rs. '000
Unsecured Redeemable Debentures	350,000	350,000	-	-
Guaranteed Redeemable Debentures	-	-	-	-
	350,000	350,000	-	-
Payable within one year	(150,000)	-	-	-
Payable after one year	200,000	350,000	-	-

- (i) Lankem Ceylon PLC, a subsidiary of the Company, has issued Rs.150 Mn. Rated Unsecured Unlisted Redeemable Debentures of the value of Rs.1,000/- each on 30th December 2010 to DFCC Bank at the rate of AWPLR+1%. These debentures are redeemable after 5 years from the date of issue. The purpose of the issue was to fund long term working capital requirement.
- (ii) Lankem Ceylon PLC, a subsidiary of the Company, has also issued Rs.200 Mn. Rated Unsecured Unlisted Redeemable Debentures of the value of Rs.1,000/- each on 5th April 2011 to Sri Lanka Insurance Corporation Limited at the rate of AWPLR+1%. These debentures are redeemable after 5 years from the date of issue. The purpose of the issue was to fund long term working capital requirement.

20.7 Group

E. B. Creasy & Company PLC and Group have Obtained following Term Loan

Company	Lender	31.03.2015 Rs. million	31.03.2014 Rs. million	Repayment	Security
E. B. Creasy & Company PLC	Commercial Bank of Ceylon PLC "Gamata Karmantha"	20.81	33.33	71 equal monthly installments of Rs. 1,042,000/- and final installment, of Rs. 1,018,000/-	Primary mortgage bond No. 1134 dated 18th December, 1998 for Rs. 91.8 million and secondary mortgage bond for Rs. 83.0 million executed over the property at No. 53 1/1, 53 2/1 & 57, Sir Baron Jayatilake Mawatha, Colombo 01 belonging to Colombo Fort Land & Building PLC (Parent Company).
	Hatton National Bank PLC	21.64	-	In 59 equal monthly installments of Rs. 3,340,000/- and final installment of Rs. 2,940,000	Quintic Floating Mortgage Bond for Rs.200mn over Commercial Property Situated at No.98 Sri Sangaraja Mawatha, Colombo 10.
	Hatton National Bank PLC	13.13	24.38	In 48 equal monthly installments of Rs. 937,500/-	Existing Tertiary Mortgage Bond totalling Rs. 50 million, over property at No. 98, Sri Sangaraja Mawatha. Colombo -10 will secure this facility up to Rs. 10Mn (Also secures overdraft facility of Rs.25 Mn & Term Loan outstanding of Rs.64.83.Mn)
	Hatton National Bank PLC	2.85	22.95	59 Equal monthly installments of Rs. 1,675,000/- and final installment of Rs. 1,175,000/-	Existing secondary mortgage bond for Rs. 100 million over property situated at No. 98 Sri Sangaraja Mawatha, Colombo 10.
	Lanka Orix Leasing Company PLC	-	1.07	By way of 72 installments of Rs. 271,512/-	On an demand Promissory Note for Rs. 16.9 million with interest @ 6.5% p.a together with any taxes which may be imposed by the Government from time to time. Mortgage over 01 No. Wood Fired Thermal Oil Heater with Accessories.
	National Development Bank PLC	87.50	137.50	In 48 equal monthly installments of Rs. 4,166,666/- and installments payable monthly on or before the last banking day of each month.	A primary mortgage over 2,777,000 ordinary shares of Lankem Ceylon PLC (owned by the borrower) and Power of Attorney together with blank Share transfer from.
	Sampath Bank PLC	1.37	14.06	In 48 equal monthly installments of Rs. 937,500/- after one month from the date of grant	Primary mortgage for Rs. 45 million over land & building of property situated at E95/162, Millawa Estate, Millawa, Horana.
	Sampath Bank PLC	10.66	16.07	In 47 equal monthly installments of Rs. 416,666/- each and final installment of Rs. 416,698	Loan agreement for 20.0 Mn & mortgage over machinery for manufacturing division of mosquito coils for Rs 20.0 Mn
	Commercial Bank of Ceylon PLC	91.88	100.00	In 59 equal monthly instalment of Rs.1,670,000 each and a final instalment Rs.1,470,000 and together with interest.	Primary Mortgage Bond for Rs. 100.0 Mn over industrial machinery imported through our Bank for the expansion of the personal care unit and installed at Millewa, Padukka to be executed.
	Nations Trust Bank PLC	450.00	-	06 Months from date of disbursement which is on 31/03/2015 to make a bullet payment	Loan Agreement for Rs. 450 mn
		699.84	349.36		

Notes to the Financial Statements

Company	Lender	31.03.2015 Rs. million	31.03.2014 Rs. million	Repayment	Security
Lankem Ceylon PLC	Sampath Bank PLC				
	Loan 1	370.00		- Payable on the 26th of each month commencing after one month of date of disbursement as follows Yr 1-12 equal installments of Rs. 2Mn Yr 2-12 equal installments of Rs. 3Mn Yr 3-12 equal installments of Rs. 4Mn Yr 4-12 equal installments of Rs. 6Mn Yr 5-12 equal installments of Rs. 7.5Mn Yr 6-12 equal installments of Rs. 8.3Mn Final Installment Rs. 8.7Mn	Primary Mortgage Bond for Rs. 370Mn. over the property situated at Nawam Mawatha depicted as Lots A & B in Plan No. 482 Dated 08/05/1987 in extent of 40 purchases owned by the company.
	Loan 2	100.00		- 17 equal monthly installments of Rs. 5,600,000/- and a final installment of Rs. 4,800,000/-	-
	Commercial Bank of Ceylon PLC				
	Loan 1	-	9.70	In 47 equal monthly installments of Rs.2.1 Mn each and a final installment of Rs. 1.3 Mn	(a) Primary mortgage for Rs. 145 million. Installments over land at Ja-ela & Gonawala. (b) Primary mortgage for Rs. 200 million. Installments over land at Ja-ela & Gonawala.
	Loan 2	36.60	87.00	In 35 monthly installments of Rs.4,200,000 each and a final installment of Rs.3,000,000	
	Loan 3	96.20		- In 35 monthly installments of Rs. 3.4 Mn each and a final installment of Rs. 1.0 Mn	-
	Loan 4	449.70		- In 57 monthly installments of Rs. 8.4 Mn each and a final installment of Rs. 4.4 Mn	-
	Indian Bank Ltd.	-	66.38	In 3 years in 12 equal quarterly installments of Rs. 16,666,666/-.	-
	Hatton National Bank PLC	19.90	30.00	In 59 monthly installment of Rs. 835,000/- each and a final installments of Rs. 735,000/-	-
		1,072.4	193.08	-	-
Beruwala Resorts PLC	Pan Asia Banking Corporation PLC	197.87	171.63	Repayable over 102 monthly installments. Repayments to commence after a grace period of 18 months from the first draw down	Primary mortgage over land and building of B.O.T. Hotel Services (Pvt) Ltd. situated at Weligama for Rs. 197.87 Mn term loan
		197.87	171.63		

Company	Lender	31.03.2015 Rs. million	31.03.2014 Rs. million	Repayment	Security
Sigiriya Village Hotels PLC	Pan Asia Banking Corporation PLC	53.01	42.20	-	Rs. 100 mn worth of shares of Beruwala Resorts PLC has been lodged at the custodian account maintained at PABC at any time.
	Sampath Bank PLC	111.44	-	Repayable over 35 monthly installments	Lien over Beruwala Resorts PLC Shares totaling to 85,384,000 numbers lodged in Sampath Bank PLC custodian account.
	Merchantile Investments Ltd.	-	7.81	-	-
		164.45	50.01		
Marawila Resorts PLC	Hatton National Bank PLC				
	Loan - I	-	14.75	Outstanding balance to be settled as follows: Financial year 2013/14 - US\$ 1 million and the balance by 2014/15 and interest payable on a monthly basis.	Existing secondary floating mortgage bond totaling US\$ 5.1 million over the hotel premises at Marawila.
	Loan - II	82.36	133.71	US\$ 525,000 in the year 2014/15 &	Existing secondary floating mortgage bonds totaling US\$ 5.37 million over the hotel premises at Marawila.
	Loan - III	26.30	40.38	US\$ 515,872 in the year 2015/16	
	Loan - IV	70.30	72.83	US\$ 40,000 in the year 2014/15 & US\$ 40,000 in the year 2015/16 US\$ 250,000 in the year 2016/17 & US\$ 250,000 in the year 2017/18 and US\$ 7,020 in the year 2018/19	Primary concurrent mortgage over existing land and secondary mortgage to be enhanced by US\$ 0.27 million. Additional security to be executed over the new property where the new rooms are constructed and plant and machinery installed there.
	Loan - V	242.44	245.47	US\$ 110,000 in the year 2014/15 & US\$ 110,000 in the year 2015/16 US\$ 425,400 in the year 2016/17 & US\$ 425,000 in the year 2017/18 and US\$ 665,000 in the year 2018/19 US\$ 127,980 in the year 2019/20	Primary concurrent mortgage over existing land and secondary mortgage to be enhanced by US\$ 0.27 million. Additional security to be executed over the new property where the new rooms are constructed and plant and machinery installed there.
		421.40	507.14		
Galle Fort Hotel (Pvt) Ltd	Hatton National Bank PLC	67.60	85.65	Repayable over 60 monthly installments	Corporate guarantee of Rs.0. 75 Mn from Lankem Ceylon PLC and hotel property at No 28 Church Street, Galle.
	Commercial Bank of Ceylon PLC	25.00	-	Repayable over 35 monthly installments	Primary mortgage bond of Rs.25 Mn over the property at No 51, Light House Street, Galle.
		92.60	85.65		

Notes to the Financial Statements

Company	Lender	31.03.2015 Rs. million	31.03.2014 Rs. million	Repayment	Security
Creasy Foods Ltd	Term Loan			-	-
	Hatton National Bank PLC - Rs. 25Mn	7.46	15.86	To be repaid in 35 monthly installments of Rs. 0.7 Mn each and a final installment of Rs. 0.5 Mn Plus interest.	Existing registered primary floating mortgage bond for Rs. 50 Mn over Land & Buildings Situated at No.26. Agaradaguru Mawatha. EKala.
	Hatton National Bank PLC - Rs. 20 Mn	13.26	17.27	To be repaid in 59 equal monthly installments of Rs. 0.334 Mn each and a final installment of Rs. 0.294 Mn Plus interest.	Existing registered primary floating mortgage bond for Rs. 50 Mn over Land & Buildings Situated at No.26. Agaradaguru Mawatha. EKala.
		20.72	33.13		
Sun Agro Foods Ltd.	Sampath Bank PLC	81.24	100.00	In 47 equal monthly installments of Rs. 2,084,000 and a final installment of Rs. 2,052,000 on 26th day of each month commencing after a grace period of 12 months. Interest to be paid during the grace period.	Corporate guarantee from Lankem Ceylon PLC amounting to Rs. 110 Mn.
		81.24	100		
BOT Hotel Services (Pvt) Ltd.	Pan Asia Bank Corporation PLC	125.00	-	Repayable over 78 monthly installments.	The property of the Hotel premises which is situated in Kapparahota, Weligama Rs.50 million and corporate guarantee from Beruwala Resorts PLC amounted to Rs.75 Mn.
		125.00	-		
Ceylon Tapes (Pvt) Ltd	DFCC Bank	11.05	-	Repayable over 60 monthly installments after a grace period of 6 months from the 1st disbursement 1/12/2013	Land worth of Rs. 5.7 Mn and Machinery worth Rs. 0.3 Mn, have been pledged when obtaining the loan.
		11.05	-		
J.F Packaging (Pvt) Ltd	Sampath Bank PLC				
	Loan 01	6.51	-	Repayable over 5 years in 59 monthly installments of Rs.283,400/-and a final installment of Rs.279,400/-	Primary Mortgage of Property at Nivasipura, Ja-Ela depicted as lot no P 7 plan no 2036 dated July 07,2003 and Primary mortgage of Property at Etambawela estate,Matale depicted as lot A in Plan No.6968 dated 30.11.2009
	Loan 02		-	Repayable over 5 years in 60 monthly installments.	
	Loan 03	2.66	-	Repayable over 5 years in 59 monthly installments of Rs.83,500/- and a final installment of Rs.73500/-	
	Loan 05	7.31	-	Repayable over 5 years in 60 monthly installments.	
	Loan 07	1.11	-	Repayable over 3 years in 36 equal monthly installments of Rs.55,500/-	
	Bank of Ceylon				
	Loan 01	7.00	-	Repayable over 5 years in 60 equal monthly installments of Rs.1,166,667/-	
	Loan 02	53.71	-	Repayable over 8 years in equal monthly installments of Rs.1,032,967/-	Primary mortgages of Land Building and machinery situated at No.306, Minuwangoda Road,Kotugoda

Company	Lender	31.03.2015 Rs. million	31.03.2014 Rs. million	Repayment	Security
	Loan 03	16.85	-	Repayable over 5 years in 60 equal monthly installments of Rs.337,079/-	
	Loan 04	21.08	-	Repayable over 5 years in 60 equal monthly installments of Rs.916,667/-	
	Loan 05	7.65	-	Repayable over 5 years in 60 equal monthly installments of Rs.250,000/-	
	Loan 09	4.44	-	Repayable over 3 years in 36 equal monthly installments of Rs.555,556/-	
	Loan 10	49.99	-	Repayable over 3 years in 36 equal monthly installments of Rs.1,666,667/-	
	Loan 11	27.36	-	Repayable over 5 years in 60 equal monthly installments of Rs.500,000/-	
	Hatton National Bank PLC				
	Loan 03	4.22	-	Repayable over 5 years in 60 equal monthly installments of Rs.28,400/-	Primary floating mortgage bond for Rs.4 Mn over immovable property at lot No.9 Depicted in plan 206 146 A dated 2006.07.30 made by EAG Edirisingha, LS Situated at Ragama.Primary Mortgage bond for Rs.16 Mn over the plastic extrusion plant and recycling plant.
	DFCC Bank PLC				
	Loan	2.34	-	Repayable over 4 years in 48 equal monthly installments of Rs.130,730/-	Personal gurantee of the 1) Mr.Lakshman De Fonseka 2) Mr.Rathnayake
		208.46	-		
		3,095.00	1,490.00		

Notes to the Financial Statements

20.7 Trust Receipt Loan

The Company and the Group have obtained following Trust Receipt Loans.

	GROUP	
	31.03.2015 Rs. '000	31.03.2014 Rs. '000
E. B. Creasy & Company PLC	247,996	218,408
Lankem Ceylon PLC	447,949	596,730
Darley Butler & Company Limited	92,726	94,566
Laxapana Batteries PLC	43,819	11,835
Creasy Foods Limited	10,032	14,238
Sun Agro Life Science Limited	4,851	51,982
	847,373	987,759

Company

Company's trust receipt loan is secured by existing mortgage bonds to banks over the stocks in trade and an assignment of book debts.

Group

(i) Creasy Foods Ltd.

Trust receipt loan is secured by floating charge on imported inventories at Unit Three Industrial Estate, Ekala, Ja- Ela. and book debt.

(ii) Laxapana Batteries PLC.

Trust receipt loan is secured by existing primary mortgage bond of Rs. 66.5 million over the property situated in Panagoda, Homagama with an extent of 50,886 sq.ft. and a primary floating mortgage bond for Rs. 20 Million over stock and assignment over book debts.

(iii) The portion of the loan-term loan repayable within one year from the reporting date is shown as Current Liabilities.

(iv) Marawila Resorts PLC

The Company, has obtained loans denominated in foreign currency from Hatton National Bank PLC to fund the construction of the hotel. This loan is secured by the land and other movable & immovable properties of MRPLC.

In terms of new arrangement made with Hatton National Bank PLC on 2nd May 2014, the Company has to settle the outstanding facility as follows;

Reschedulement of term loan facility outstanding of US\$ 1.04 million, US \$ 525,000 in the year 2014/15 and US \$ 515,872 in the year 2015/16.

21. Deferred Income and Capital Grants

	GROUP	
	31.03.2015 Rs. '000	31.03.2014 Rs. '000 Restated
At the beginning of the Year	25,436	24,497
Amotized during the Year	(2,748)	(2,061)
At the end of the Year	22,688	25,436

Sun Agro Foods Ltd.

Sun Agro Foods Ltd has received grant from the USAID/CORE for the purpose of establishing an outgrower cereal cultivation with 1,000 farmers and set up a processing facility for cereal legume mixture manufacturing in the Trincomalee District. The grant has been amortized over the useful life time of the assets.

22. Deferred Tax Asset/(Liability)

22.1 Deferred Tax Asset

	GROUP		COMPANY	
	31.03.2015 Rs. '000	31.03.2014 Rs. '000 Restated	31.03.2015 Rs. '000	31.03.2014 Rs. '000
At the beginning of the Year	72,050	45,632	-	-
Origination/ (Reversal) of Temporary Differences	(1,314)	26,418	-	-
At the end of the Year	70,738	72,050	-	-

22.2 Deferred Tax Liability

	GROUP		COMPANY	
	31.03.2015 Rs. '000	31.03.2014 Rs. '000 Restated	31.03.2015 Rs. '000	31.03.2014 Rs. '000
At the beginning of the Year	149,310	123,876	1,249	15,290
Amount Recognized/ (reversed) during the year				
Profit or loss	23,605	25,434	48,453	(14,041)
Other comprehensive income	(4,004)	-	(1,383)	-
On Acquisition of Subsidiary	99,983	-	-	-
At the end of the Year	268,894	149,310	48,319	1,249

Notes to the Financial Statements

22.3 Deferred Tax Assets/(Liabilities)

Deferred tax liability has been recognized in respect of the following and it has been calculated by applying the tax rate of 28% for the Company and subsidiaries which are liable for income tax at the standard rate for the year of assessment 2014/15. The subsidiaries which are liable for income tax at reduced rates (below the standard rate) for the year of assessment 2014/15 have computed the deferred tax at the tax rate of 12%.

Company

	31.03.2015		31.03.2014	
	Temporary Difference Rs.'000	Tax Effect Rs.'000	Temporary Difference Rs.'000	Tax Effect Rs.'000
On Property, Plant & Equipment	316,272	88,556	251,004	70,281
On Retirement Gratuity Obligation	(138,763)	(38,854)	(192,064)	(53,778)
On Tax Loss Carried Forward	-	-	(54,479)	(15,254)
	177,509	49,702	4,461	1,249
On Actuarial Loss on Retirement Benefit Obligation	(4,940)	(1,383)	-	-
	172,569	48,319	4,461	1,249

Group

No provision has been made for deferred tax in the Financial Statements of York Hotels (Kandy) Ltd. as no material temporary differences have arisen during the year which are expected to reverse in the future.

No deferred tax assets have been recognised in the Financial Statements of subsidiaries, namely Sun Agro Farms Ltd., Lankem Exports (Pvt) Ltd., Lankem Consumer Products Ltd., Lankem Research Ltd., Lankem Paints Ltd., Sun Agro Foods Ltd., Colombo Fort Hotels Ltd, Lankem Ceylon PLC and Kelani Valley Canneries Ltd. Because it is not probable that future taxable profit will be available against which these companies can utilise the benefit.

Deferred tax impact on Actuarial Gain has not separately charged to the other comprehensive income for the year ended 31st March 2014 since it was not significant to the Financial Statements

Unrecognized Deferred Tax Assets

	31.03.2015 Rs. Million	31.03.2014 Rs. Million
Sun Agro Farms Ltd.	5.7	5.6
Lankem Exports (Pvt) Ltd.	7.3	2.1
Lankem Consumer Products Ltd.	53.8	53.9
Lankem Research Ltd.	1.8	2.2
Lankem Paints Ltd.	23.2	-
Sun Agro Foods Ltd.	57.8	48.0
Colombo Fort Hotels Ltd.	14.6	17.7
Lankem Ceylon PLC.	76.1	-
Kelani Valley Canneries Ltd.	51.0	39.0

	31.03.2015		31.03.2014	
	Temporary Difference Rs.'000	Tax Effect Rs.'000	Temporary Difference Rs.'000 Restated	Tax Effect Rs.'000 Restated
Deferred Tax Liabilities				
Property, Plant & Equipment	1,959,724	413,053	1,421,235	302,754
Defined Benefit Obligation	(215,791)	(57,729)	(273,617)	(72,790)
Impairment of Inventory	(450)	(126)	-	-
Impairment of Debtors	-	-	(8,711)	(2,439)
Tax Loss Caried Forward	(671,741)	(86,304)	(436,558)	(78,215)
	1,071,742	268,894	702,349	149,310
Deferred Tax Asset				
Property, Plant & Equipment	(275,813)	(84,114)	266,702	31,714
Defined Benefit Obligation	108,796	31,113	44,122	13,969
Impairment of Inventory	4,125	1,155	-	-
Impairment of Debtors	32,350	9,058	1,471	412
Tax Loss Caried Forward	501,883	113,526	(178,162)	25,955
	371,341	70,738	134,133	72,050

23. Retirement Benefit Obligations

	GROUP		COMPANY	
	31.03.2015 Rs. '000	31.03.2014 Rs. '000 Restated	31.03.2015 Rs. '000	31.03.2014 Rs. '000
Present Value of Defined Benefit Obligation (Note 23.2)	515,342	506,004	143,703	192,064
Fair Value of Plan Assets (Note 23.1)	132,256	127,622	-	-
	383,086	378,382	143,703	192,064

23.1 Movement in Fair Value of Plan Assets

	GROUP		COMPANY	
	31.03.2015 Rs. '000	31.03.2014 Rs. '000 Restated	31.03.2015 Rs. '000	31.03.2014 Rs. '000
Fair Value of Plan Assets at the Beginning of the Year	127,622	118,788	-	-
Contribution Paid in to the Plan	8,758	7,999	-	-
Benefits Paid by the Plan	(17,381)	(12,181)	-	-
Expected Return on Plan Assets	14,288	12,444	-	-
Actuarial Gains/ (Losses) on Plan Assets	(1,031)	572	-	-
Fair Value of Plan Assets at the end of the Year	132,256	127,622	-	-

Notes to the Financial Statements

23.2 Movement in the Present value of Defined Obligations

	GROUP		COMPANY	
	31.03.2015 Rs. '000	31.03.2014 Rs. '000 Restated	31.03.2015 Rs. '000	31.03.2014 Rs. '000
At the Beginning of the Year	506,004	503,083	192,064	163,867
Current Service Cost	59,823	47,614	16,191	14,298
Interest Cost	50,374	52,398	20,168	18,025
Actuarial Gain/ (Losses)	15,604	(58,901)	4,940	2,711
On Acquisition of Subsidiary	25,713	3,825	-	-
	657,518	548,019	233,363	198,901
Transfer of Employees to Related Companies	-	(1,002)	-	-
Payments During the Year	(142,176)	(41,013)	(89,660)	(6,837)
At the end of the Year	515,342	506,004	143,703	192,064

23.3 The Amount Recognized in the Statement of Financial Position as Follows:

	GROUP		COMPANY	
	31.03.2015 Rs. '000	31.03.2014 Rs. '000 Restated	31.03.2015 Rs. '000	31.03.2014 Rs. '000
Present Value of Unfunded Obligations	376,130	385,860	143,703	192,064
Present Value of Funded Obligations	139,212	120,144	-	-
Total Present Value of Obligations	515,342	506,004	143,703	192,064
Fair Value of Plan Assets	(132,256)	(127,622)	-	-
Present Value of Net Obligations	383,086	378,382	143,703	192,064
Recognized Liability for Defined Benefit Obligation	383,086	378,382	143,703	192,064

23.4 Expense Recognized in Profit or Loss

Current Service Costs	59,823	47,614	16,191	14,298
Interest on Obligations	50,374	52,398	20,168	18,025
	110,197	100,012	36,359	32,323

23.5 The Key Actuarial Assumptions

a. Company

An actuarial valuation has been carried out as at 31st March 2015 by Ms Piyal. S. Goonathilake (Actuarial Valuer) as required by Sri Lanka Accounting Standard.

The key assumptions used by actuary include the following:

(a) Discount Rate	10% p.a.
(b) Rate of increase of Salaries	Executive 10% Non Executive 10%
(c) Retirement Age	Workers - 60 Years

The actuarial present value of the accrued benefit as at 31st March, 2015 is Rs. 143.7 million. This item is grouped under retirement benefit obligation in the Statement of Financial Position. The liability is not externally funded.

b. Group

Retirement Benefit Obligations

Present Value of the Unfunded Obligations

LKAS 19 - 'Employee benefits' requires to apply Projected Unit Credit Method to make a reliable estimate of the Obligation in order to determine the present value of the retirement benefit obligation. The key assumptions were made in arriving at the retirement benefit obligation as at 31st March 2015 in respect of following companies are stated below:

Company Name	Expected Salary Increment Rate Per Annum	Discount Rate Per Annum	Retirement Age - Years	Liability as at 31/03/2015 Rs.'000
E.B.Creasy & Co.PLC	10.00%	10.00%	60	143,703
Lankem Ceylon PLC	10.00%	10.00%	55	139,210
Darley Butler & Company Ltd	10.00%	10.00%	55	59,703
Creasy Foods Ltd	12.00%	10.00%	55	11,088
SunAgro Life Science Ltd	10.00%	10.00%	55	1,225
Lankem Consumer Products Ltd	10.00%	10.00%	55	511
Galle Fort Hotel (Pvt) Ltd	10.00%	10.00%	55	2,420
B.O.T Hotel Services (Pvt) Ltd	7.50%	10.00%	55	4,062
E.B.Creasy Logistics Ltd	10.00%	10.00%	55	600
SunAgro Foods Ltd	10.00%	10.00%	55	133
Lankem Paints Ltd	10.00%	10.00%	55	5,332
Laxapana Batteries PLC	10.00%	10.00%	55	4,151
Pettah Pharmacy (Pvt) Ltd	10.00%	12.00%	55	4,350
C.W.Mackie PLC				
Ceymac Rubber Co.Ltd	12.00%	10.00%	Management Staff and Allied Staff 60 Years, Other Staff 55 Years	90,850
Ceytra (Pvt) Ltd				
Beruwala Resorts PLC	7.50%	10.00%	55	2,586
Sigiriya Village Hotels PLC	7.50%	10.00%	55	11,914
Marawilla Resorts PLC	7.50%	10.00%	55	5,370
Ceylon Tapes (Private) Limited	10.00%	10.00%	80	6,700
J. F. Packaging (Pvt)Limited	10.00%	10.00%	55	20,808
Lanka Special Steels Ltd	10.00%	10.00%	55	631

Notes to the Financial Statements

23.6 Sensitivity Analysis

Sensitivity of assumptions used

A one percentage change in the assumptions would have the following effects

	2015 Rs.'000	2014 Rs.'000
Effect on the defined benefit obligation liability;		
Increase by one percentage point in discount rate	(42,992)	(37,974)
Decrease by one percentage point in discount rate	50,165	43,853
Effect on the defined benefit obligation liability;		
Increase by one percentage point in salary increment rate	55,095	47,651
Decrease by one percentage point in salary increment rate	(48,775)	(41,990)

24. Trade and Other Payables

	GROUP		COMPANY	
	31.03.2015 Rs. '000	31.03.2014 Rs. '000 Restated	31.03.2015 Rs. '000	31.03.2014 Rs. '000
Trade Payables	1,707,010	1,467,495	83,248	101,183
Unclaimed Dividend	10,056	26,116	2,382	2,151
Bills Payable	486,985	364,617	265,109	266,420
Other Taxes Payable	142,145	47,071	-	-
Deposits from Dealers	49,837	41,628	-	-
Accrued Expenses and Other Payables	1,053,804	1,237,355	158,564	138,717
	3,449,837	3,184,282	509,303	508,471

25. Amount Due to Related Companies

	Relationship	GROUP		COMPANY	
		31.03.2015 Rs. '000	31.03.2014 Rs. '000 Restated	31.03.2015 Rs. '000	31.03.2014 Rs. '000
The Colombo Fort Land & Buildings PLC	Parent	344,913	312,111	1,962	5,275
CM Holdings PLC	Affiliate	21,489	18,081	-	-
York Hotel Management Services Ltd.	Affiliate	29,468	32,044	-	-
Carplan Ltd.	Affiliate	368	350	79	65
Muller & Phipps (Ceylon) PLC	Subsidiary	-	-	70,211	25,600
Island Consumer Supplies (Pvt) Ltd.	Subsidiary	-	-	5,316	5,356
Group Three Associates (Pvt) Ltd.	Subsidiary	-	-	1,223	1,236
Laxapana Batteries PLC	Subsidiary	-	-	693	197
Union Commodities (Pvt) Ltd	Affiliate	24,600	-	-	-
York Arcade PLC	Affiliate	4,215	-	-	-
Oracle packaging (Pvt) Ltd	Affiliate	1,986	-	-	-
L.D.F. Packaging (Pvt) Ltd	Affiliate	2,438	-	-	-
Cosmopoly (Pvt) Ltd	Affiliate	3,426	-	-	-
J.F.Barries Films (Pvt) Ltd	Affiliate	39	-	-	-
J.F.Lanka Hotels & Tours (Pvt) Ltd	Affiliate	4,799	-	-	-
J.F. Innovations (Pvt) Ltd	Affiliate	655	-	-	-
Lankem Paints Ltd.	Subsidiary	-	-	81	130
Agarapathana Plantations Ltd	Affiliate	-	68,019	-	-
Ceylon Tapes (Pvt) Ltd.	Subsidiary	-	-	382	-
C.W. Mackie PLC.	Subsidiary	-	-	34	-
Lankem Developments PLC.	Affiliate	10,600	93,059	-	-
Lankem Tea & Rubber Plantations (Pvt) Ltd.	Affiliate	89,423	91,041	-	-
Kotagala Plantations PLC.	Affiliate	-	230,049	-	-
Kia Motors (Lanka) Ltd.	Affiliate	109,570	102,056	-	-
Colombo Fort Investments PLC	Affiliate	-	25,395	-	-
		647,989	972,205	79,981	37,859

Above amount due to related companies includes following loan payable to related parties which are payable within one year.

Loans payable to related parties are as follows:

	GROUP		COMPANY	
	2015 Rs. '000	2014 Rs. '000	2015 Rs. '000	2014 Rs. '000
The Colombo Fort Land & Building PLC	290,000	290,000	-	-
Kotagala Plantations PLC	-	227,850	-	-
Colombo Fort Investment PLC	-	20,000	-	-
Lankem Development PLC	10,600	80,000	-	-
KIA Motors (Lanka) Ltd	80,000	80,000	-	-
Lankem Tea & Rubber Plantations Ltd	50,000	50,000	-	-
	430,600	747,850	-	-

Notes to the Financial Statements

26. Financial Instruments

26.1 Financial Instruments - Statement of Financial Position (SOFP)

The Financial Instruments recognize in the Statement of Financial Position are as follows:

	Note	GROUP		COMPANY	
		31.03.2015 Rs. '000	31.03.2014 Rs. '000 Restated	31.03.2015 Rs. '000	31.03.2014 Rs. '000
Financial Assets					
Available-for-Sale					
Financial Assets (AFS)					
Quoted Investments	12.2.2	59,734	61,511	2,350	1,606
Unquoted Investments	12.2.2	476,867	578,501	-	-
Total		536,601	640,012	2,350	1,606
Current Assets					
Trade & Other Receivables	16	5,171,337	5,122,567	166,878	183,621
Financial Assets FVTPL	12.3	197,246	180,075	-	-
Amounts due from					
Related Companies	15	338,768	305,424	626,455	167,781
Total		5,707,351	5,608,066	793,323	351,402
Cash & Cash Equivalents	17.1	618,355	500,644	54,692	108,747
Total Financial Assets		6,862,307	6,688,722	850,375	461,755

	Note	GROUP		COMPANY	
		31.03.2015 Rs. '000	31.03.2014 Rs. '000	31.03.2015 Rs. '000	31.03.2014 Rs. '000
Financial Liabilities					
Non-Current Liabilities					
Interest-Bearing Borrowings	20.1	2,111,535	1,583,225	138,613	245,971
Current Liabilities					
Interest-Bearing Borrowings	20.2	4,998,354	3,085,588	1,128,900	349,131
Income Tax Payable		119,140	84,980	11,477	4,833
Trade & Other Payables	24	3,449,837	3,184,282	509,303	508,471
Amounts due to Related Companies	25	647,989	972,205	79,981	37,859
Bank Overdrafts	17.2	1,430,749	1,792,069	226,378	219,349
Total Financial Liabilities		12,757,602	10,702,349	2,094,652	1,365,614

26.2 Financial Risk Management

The Group has exposure to the following risks from its use of Financial Instruments

- 1 Credit Risk
- 2 Liquidity Risk
- 3 Market Risk (including currency risk and interest rate risk)

This note represents qualitative and quantitative information about the Groups' exposure to each of the above risks, the Group's objectives, policies and procedure for measuring and managing risk.

Risk Management Framework

The Board of Directors have overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyses the risk faced by the Group, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

26.2.1 Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counter party to a financial instrument fails to meet its contractual obligation, and arises principally from the Group's receivables from customers, investment and forward contracts.

Group's credit exposure is closely monitored. Credit given is reviewed worth the predetermine approval procedures and contractual agreement made for every high value transaction.

	Note	GROUP		COMPANY	
		31.03.2015 Rs. '000	31.03.2014 Rs. '000 Restated	31.03.2015 Rs. '000	31.03.2014 Rs. '000
Amount Due from Related Companies	15	338,768	305,424	626,455	167,781
Trade & Other Receivables	16	5,171,337	5,122,567	166,878	183,621
		5,510,105	5,427,991	793,333	351,402

The aging of amount due from related companies and trade and other receivable at the reporting date was:

	GROUP				COMPANY			
	Gross 31.03.2015 Rs. '000	Impairment 31.03.2015 Rs. '000	Gross 31.03.2014 Rs. '000	Impairment 31.03.2014 Rs. '000	Gross 31.03.2015 Rs. '000	Impairment 31.03.2015 Rs. '000	Gross 31.03.2014 Rs. '000	Impairment 31.03.2014 Rs. '000
Not Past Due	37,729	-	13,074	-	-	-	-	-
Past due 0-365 days	5,176,810	208,993	5,010,946	49,561	783,488	-	333,539	-
More than one year	573,969	69,410	506,902	53,370	16,074	6,229	23,608	5,745
	5,788,508	278,403	5,530,922	102,931	799,562	6,229	357,147	5,745

Investment in Debentures

Investment in debentures includes investments made in Rated, Listed, Secured, Redeemable Debentures of Kotagala Plantations PLC, amounts to Rs.50 Mn and issue rating a BBB- Ram Rating (Lanka) Limited. The details of the maturities and invest rates of debenture investment as follow.

Category	No.of Debentures	Term of Debentures	Interest Rate (per annum payable semi annually)
Type A	125,000	4 years	14.25% (AER of 14.76%)
Type B	125,000	5 years	14.50% (AER of 15.03%)
Type C	125,000	6 years	14.75% (AER of 15.29%)
Type D	125,000	7 years	15.00% (AER of 15.56%)

Notes to the Financial Statements

26.2.2 Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligation associated with its financial liabilities that are settled by delivering cash or another financial asset.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding of netting agreements.

	GROUP							
	31.03.2015				31.03.2014 (Restated)			
	Carrying Amount Rs. '000	Contractual Cash Flows Rs. '000	Less than one Year Rs. '000	More than one Year Rs. '000	Carrying Amount Rs. '000	Contractual Cash Flows Rs. '000	Less than one Year Rs. '000	More than one Year Rs. '000
Non-Derivative Financial Liabilities								
Temporary Loans/ Bank Loans/Interest-Bearing Borrowings	7,109,887	7,109,887	4,998,354	2,111,533	4,668,813	4,668,813	3,085,588	1,583,225
Amount Due to Related Companies	647,989	647,989	647,989	-	972,205	972,205	972,205	-
Other Financial Liabilities/ Trade & Other Payables	3,568,977	3,568,977	3,568,977	-	3,269,262	3,269,262	3,269,262	-
Bank Overdrafts	1,430,749	1,430,749	1,430,749	-	1,792,069	1,792,069	1,792,069	-
Total	12,757,602	12,757,602	10,646,069	2,111,533	10,702,349	10,702,349	9,119,124	1,583,225

	COMPANY							
	31.03.2015				31.03.2014			
	Carrying Amount Rs. '000	Contractual Cash Flows Rs. '000	Less than one Year Rs. '000	More than one Year Rs. '000	Carrying Amount Rs. '000	Contractual Cash Flows Rs. '000	Less than one Year Rs. '000	More than one Year Rs. '000
Non-Derivative Financial Liabilities								
Temporary Loans/ Bank Loans/Interest-Bearing Borrowings	1,267,513	1,267,513	1,128,900	138,613	595,102	595,102	349,131	245,971
Amount Due to Related Companies	79,981	79,981	79,981	-	37,859	37,859	37,859	-
Other Financial Liabilities/ Trade & Other Payables	520,781	520,781	520,781	-	513,304	513,304	513,304	-
Bank Overdrafts	226,378	226,378	226,378	-	219,349	219,349	219,349	-
Total	2,094,653	2,094,653	1,956,040	138,613	1,365,614	1,365,614	1,119,643	245,971

26.2.3 Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates etc. will affect the Group's income or the value of its holdings of financial instruments. The objective of the market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the returns.

26.2.3.1 Currency Risk

The Group is exposed to currency risk on purchases and borrowings that are denominated in a currency other than the functional currency which is Sri Lankan Rupees.

Sensitivity Analysis

A strengthening or weakening of Sri Lankan Rupee, as indicated below, against the USD at 31st March 2015 would have increased/ (decreased) the equity and profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant.

Increase/(Decrease) in Exchange rate USD	Effect on Profit Before Tax	
	2015 Rs.'000	2014 Rs.'000
+ 10%	(254,950)	(277,745)
-10%	254,950	277,745

26.2.3.2 Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments fluctuate because of changes in market interest rates. The exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligation and investments with floating interest rates.

However, the Company does not have material long-term floating rate borrowings or deposits as at the reporting date which results a material interest rate risk.

The Group utilize various financial instruments to manage exposures to interest rate risks arising due to financial instruments.

The following table demonstrates the Group sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the profit before tax:

As at 31 March	Effect on Profit Before Tax	
	2015 Rs.'000	2014 Rs.'000
Variable rate instrument (1% decrease)	15,680	18,438
Variable rate instrument (1% Increase)	(15,680)	(18,438)

Notes to the Financial Statements

27. Related Party Transactions

(a) Parent and Ultimate Controlling Party

The Company's parent Company is The Colombo Fort Land & Building PLC

(b) Details of significant related party transactions are given below:

	Transaction with Group		Transaction with Company	
	2015 Rs. '000	2014 Rs. '000 Restated	2015 Rs. '000	2014 Rs. '000
Transaction with Subsidiary Companies Listed in Note 12.4				
Sales of Goods	-	-	3,200,220	2,547,833
Incurring Reimbursable Expenses	-	-	110,842	223,075
Service Charges	-	-	4,776	36,102
Guarantee Commission Income on Corporate Guarantee	-	-	12,465	20,400
Office Rent	-	-	6,951	6,718
The Transaction with The Colombo Fort Land and Building PLC (Ultimate Parent Company)				
Guarantee Commission	(6,176)	(1,173)	5,349	5,244
Loan Interest Income & Expenses	(30,116)	(40,913)	-	-
Rent Expenses	-	-	1,294	1,189
Incurring Reimbursable Expenses	-	-	10,584	-
Settlements of Loans, Current Account & Expenses	11,231	218,486	7,984	-
The Transaction with Subsidiaries				
Agency Fees	2,339	351	-	-
Settlement of Clearing Invoices & Agency Fees	5	(3,172)	-	-
Amount Paid from/ to Gratuity Fund	-	(1,462)	-	-
Fund Transfers & Settlements	31,231	(9,131)	-	-
Incurring Reimbursement of expenses	10,592	17,822	-	84
Interest on Loan	(7,514)	(3,600)	10,240	10,240
Maintain and Services	(911)	(2,724)	-	-
Management Fees	24,098	59,134	-	-
Settlement of Management Fees	(9,854)	(34,697)	-	-
Secretarial	265	1,028	-	-
Rent expenses	(15,947)	(17,354)	-	-
Vehicle Repair	-	39	-	-
Premium Paid	5,042	-	-	-
Purchases	267,401	-	-	-
Recovery of Overhead	90,640	-	-	-
Rent Income	19,443	-	-	-
The Transactions With Associates Companies				
Incurring Reimbursable Expenses	1,029	322	-	-
Interest Income & Expenses	46,676	(29,457)	-	-
Management Fees Settlements	(28,216)	(29,243)	-	-
Purchase of Consumables Rubber & Tea	(27,120)	(67,384)	-	-
Sales of Goods	94,740	11,619	-	-
Settlement of Loan	80,550	25,297	-	-
Inter Company Settlements	219,789	-	-	-

(c) The Directors of the Company are also Directors of the following companies:

	A.Rajaratnam	S.D.R.Arudpragasam	R.N.Bopearatthy	S.Rajaratnam	R.C.A.Welikala	P.M.A.Sirimane	A.Rasiah	S.N.P.Palihaena	A.M.Mubarak	A.M.de.S.Jayarathne	R.Seevaratnam	S.W.Gunawardana
E.B Creasy & Company PLC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Corporate Systems Ltd.		✓	✓	✓	✓	✓						✓
Filmpak Ltd		✓	✓	✓	✓	✓						
E.B. Creasy Logistics Ltd.		✓	✓	✓	✓	✓						✓
Muller & Phipps (Ceylon) PLC		✓	✓		✓	✓	✓	✓				
Muller & Phipps (Agencies) Ltd		✓										
Pettah Pharmacy (Pvt) Ltd		✓	✓		✓	✓	✓	✓				
Darley Butler & Co. Ltd	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Creasy Foods Ltd	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Island Consumer Supplies (Pvt) Ltd.		✓	✓	✓	✓	✓						✓
Group Three Associates (Pvt) Ltd.		✓	✓	✓	✓	✓						✓
Lanka Special Steels Ltd.		✓		✓	✓	✓						✓
Laxapana Batteries PLC		✓	✓	✓	✓	✓	✓	✓				✓
Lankem Ceylon PLC	✓	✓	✓								✓	
Lankem Developments PLC	✓	✓	✓									
Lankem Paints Ltd		✓	✓									
Lankem Consumer Products Ltd		✓	✓									
Lankem Chemicals Ltd		✓	✓									
Lankem Exports (Pvt) Ltd		✓	✓									
Lankem Plantation Services Ltd	✓	✓										
SunAgro LifeScience Ltd		✓	✓									
SunAgro Farms Ltd		✓										
SunAgro Foods Ltd		✓	✓									
Lankem Technology Services Ltd		✓										
Lankem Research Ltd		✓										
Associated Farms Ltd	✓	✓										
B.O.T Hotel Services (Pvt) Ltd		✓								✓		
Galle Fort Hotels (Pvt) Ltd.		✓										
Ceylon Tapes (Pvt) Ltd												
J.F. Packaging (Pvt) Ltd												
Colombo Fort Hotels Ltd	✓	✓		✓								
Sigiriya Village Hotels PLC	✓	✓		✓			✓					
Marawila Resorts PLC	✓	✓		✓			✓					
Beruwala Resorts PLC	✓	✓		✓			✓					
York Hotels (Kandy) Ltd	✓	✓		✓								
Lankem Plantation Holdings Ltd	✓	✓										
Creasy Plantation Management Ltd	✓	✓										
Lankem Tea & Rubber Plantations (Pvt) Ltd	✓	✓		✓								
Kotagala Plantations PLC	✓	✓								✓		
Agarapatana Plantations Ltd	✓	✓										
Waverly Power (Pvt) Ltd	✓	✓		✓								
Union Commodities (Pvt)Ltd		✓										
C.W.Mackie PLC	✓	✓								✓		
Ceymac Rubber (Pvt) Limited												
Ceyetra (Pvt) Ltd												
Scan Travels & Tours Ltd.												

Notes to the Financial Statements

The above Notes should be read in conjunction with Note No. 12, 1, 15, 23, 25, 30 and 31 to the Financial Statement.

(d) Transactions with Key Management Personnel

According to Sri Lanka Accounting Standard LKAS - 24 - 'Related Party Disclosures', Key Management Personnel, are those having and responsibility for planning, directing and controlling the activities of the entity. Accordingly, the Board of Directors (including Executive and Non-Executive Directors) have been classified as Key Management Personnel of the Company/Group.

Company

(i) Loans to the Directors

loans have been granted to the Directors of the Company.

(ii) Compensation Paid to Key Management Personnel

	2014/15 Rs. '000	2013/14 Rs. '000
Short term Employee Benefits	144,577	130,019
Post-Employment Benefits	-	-
Other Long Term Benefits	-	-
Termination Benefits	-	-
Share based Benefits	-	-

(iii) Other Transactions with Key Management Personnel

There were no other transactions with Key Management Personnel other than those disclosed in Note 27 (b) to these Financial Statements.

Group

(i) Loans to the Directors

No loans have been granted to the Directors of the Group.

(ii) Compensation paid to Key Management Personnel

	2014/15 Rs. '000	2013/14 Rs. '000
Salaries/Other Employee Benefits	325,502	286,783
Post-Employment Benefit	-	-
Other Long Term Benefits	-	-
Termination Benefits	-	-
Share based Benefits	-	-

(iii) Other Transactions with Key Management Personnel

There were no other transactions with Key Management Personnel other than those disclosed in Note 27 (b) to these Financial Statements.

28. Operating Segment

	Trading Industrial Products		Trading Consumer Products		Leisure		Plantations		Other		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
External Revenue	5,185,525	5,038,327	13,640,690	14,333,218	980,762	1,076,787	-	-	579,027	29,024	20,386,004	20,477,356
Nation Building Tax	-	-	-	-	-	-	-	-	-	-	-	-
Inter Segment Revenue	2,594,792	1,395,264	3,811,013	3,707,753	2,149	58	-	-	76,662	102,318	6,484,616	5,205,393
Total Revenue for Reportable segments	7,780,317	6,433,591	17,451,703	18,040,971	982,911	1,076,845	-	-	655,689	131,342	26,870,620	25,682,749
Interest Revenue	90,752	98,227	26,651	111,316	30,893	24,588	-	-	(2,803)	213	145,493	234,344
Interest Expenses	289,028	272,444	220,544	437,390	153,820	151,704	-	-	4,672	13,349	668,064	874,887
Depreciation and Amortization	122,909	83,837	226,834	264,415	191,993	100,501	-	-	19,722	586	561,458	449,339
Profit/ (Loss) before income Tax	291,250	61,232	165,447	141,375	(147,649)	17,756	(64,649)	(23,830)	66,511	(14,490)	310,910	182,043
Total Assets	5,564,216	3,565,541	8,402,438	9,966,628	4,229,120	4,415,150	-	-	1,663,267	38,882	19,859,041	17,986,201
Total Liabilities	5,821,171	3,562,565	4,710,750	6,347,155	1,795,573	1,466,818	-	-	1,237,032	6,561	13,564,526	11,383,099
Capital expenditures	516,658	97,308	383,250	396,408	280,408	227,753	-	-	68,606	1,122	1,248,922	717,591

28.1 Segments

Segmentation has been determined based on the operating activities of the companies or the sector, where multiple activities fall within one company or sector has been based on the core activities of that particular sector.

- | | |
|-----------------------------|--|
| Trading Consumer Products | - Manufacturing, Selling and Distribution of Consumer Products |
| Trading Industrial Products | - Manufacturing, Selling and Distribution of Industrial Products |
| Leisure | - Owning and Operation of Resort Hotels |
| Plantations | - Cultivation, manufacture and sale of Tea and Rubber |
| Others | - Special Projects and Other Services |

Notes to the Financial Statements

28.2 Reconciliation of reportable segment revenue, profit or loss, assets and liabilities and other material items

Revenue

	2014/15 Rs.	2013/14 Rs.
Total revenue for reportable segments	26,870,620	25,682,749
Elimination of Inter Segment revenue	6,484,616	5,205,393
Consolidated revenue	20,386,004	20,477,356

Profit/ (Loss) before tax

Total Profit/ (Loss) before Tax for reportable segments	345,154	298,858
Elimination of Inter Segment Profits	(34,244)	(116,815)
Consolidated Profit/ (Loss) before tax	310,910	182,043

Assets

Total assets for reportable segment	19,322,615	17,339,680
Investment in equity accounted investee	536,426	646,521
	19,859,041	17,986,201

Liabilities

Total Liabilities for reportable segment	13,564,526	11,383,099
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Other material items

Interest revenue	145,493	234,444
Interest Expenses	668,064	874,887
Capital expenditure	1,248,922	717,591
Depreciation and amortization	561,458	449,339

29. Capital Expenditure & Commitments

29.1 Company

The Company had no material capital or financial commitment as at the date of the Statement of Financial Position.

29.2 Group

There are no material capital or financial commitments as at the reporting date other than those disclosed below:

- (i) SunAgro Farms Ltd, a subsidiary of the Company, has entered into a lease agreement with the Department of Buddhist Affairs for the lease of the agricultural land for cultivation for a period of 29 years on 21st June 2010. Non cancellable operating lease rentals are payable in first five years of lease period amounting to Rs. 113,000 per year. However, lease payable after 1st five years will be determined based on the market prices of lease rentals in Respective area.
- (ii) Lanka Special Steels Ltd outstanding forward exchange contracts entered into by the company as at 31st March 2015 was amounting to Rs. 74Mn.

30. Contingent Liabilities

30.1 Company

There are no materials contingent liabilities outstanding as at the date of the Statement of the Financial Position, other than those disclosed below.

Contingent liabilities exist in relation to guarantees issued by E. B. Creasy & Company PLC to financial institutions on behalf of its subsidiaries to obtain facilities from Financial Institutions are as follows:

	31.03.2015 Rs. '000	31.03.2014 Rs. '000
Darley Butler & Co. Ltd.	280,000	365,000
Lankem Ceylon PLC	-	225,000
	280,000	590,000

30.2 Group

30.2.1 Lankem Ceylon PLC, a subsidiary of the Company, has given guarantees to third parties for facilities obtained by the related companies and outstanding as at 31st March, 2015 are as follows;

Name of the Company	Amount Rs.'000
Darley Butler & Co. Ltd	145,000
Waverly Power (Pvt) Ltd	70,000
Lankem Developments PLC	62,080
Galle Fort Hotel (Pvt) Ltd.	98,663
Sun Agro Lifescience Ltd.	210,000
Sun Agro Foods Ltd.	110,000
Total	695,743

30.2.2 Marawila Resorts PLC

The Company has contingent liabilities in respect of legal claims arising in the ordinary course of business. It is anticipated that any material liabilities that will arise from such legal cases and additional payment will have to be met. Accordingly, the company has provided Rs. 9.95 Mn. in the financial statement as at 31st March 2015 as Pradesiya Saba Tax payable since the Pradesiya Saba has filed a legal case against the Company.

30.2.3 C.W. Mackie PLC

The following contingent liabilities exist as at the reporting date on account of the letters of comfort and guarantees given by the Company:

Letters of comfort and guarantees provided on behalf of the subsidiaries are as follows.

Name of the Company	2015 Rs.Mn	2014 Rs.Mn
Ceymac Rubber Company Ltd.	99	99
Ceytra (Pvt) Ltd.	8	8
	107	107

These corporate guarantees have been provided for Hatton National Bank PLC on behalf of the subsidiary companies Ceymac Rubber Company Ltd and Ceytra (Pvt) Ltd, for short term loan facilities, where repayment terms are less than 12 months.

Notes to the Financial Statements

30.2.4 Lanka Special Steels Limited

Lanka Special Steels Limited has given a guarantee of Rs. 25,100,003 to Sri Lanka Custom and it was outstanding as at 31st March 2015.

31. Acquisition of Subsidiaries

31.1 The Company, has acquired 100% of the stated capital of Lanka Special Steels Limited as at 31st March 2015 for a purchase consideration of Rs. 443 Mn.

31.2 Lankem Ceylon PLC, a subsidiary of the Company, has acquired 72.5% of the stated capital of JF Packaging (Pvt) Ltd as at 30th January 2015 for a purchase consideration of Rs. 603 Mn.

31.3 Lankem Ceylon PLC, a subsidiary of the Company, has acquired 100% of the stated capital of Ceylon Tapes (Pvt) Ltd as at 4th April 2014 for a purchase consideration of Rs. 137 Mn.

	Rs. '000	Rs. '000
Assets		
Property, Plant & Equipment	856,296	
Intangible Assets	785	
Investments Classified as AFS	18,569	
Inventories	472,340	
Trade & Other Receivables	403,394	
Amounts Due from Related Parties	84,816	
Cash & Cash Equivalents	421,001	2,257,201
Liability		
Employee Benefit Obligation	25,713	
Interest Bearing Borrowings	757,204	
Deferred Tax Liabilities	99,983	
Trade & Other Payables	434,202	
Amounts Due to Related Parties	13,343	
Income Tax Payable	12,438	
Bank Overdrafts	116,295	(1,459,178)
Net Identifiable Assets and Liabilities		798,023
Non Controlling Interest		(461,955)
Net Assets Acquired		336,068
Net Cash Consideration Paid		1,183,158
Goodwill on Acquisition		176,718
Analysis of Net Outflow of Cash and Cash Equivalents in Respect of the Acquisition of Subsidiaries		
Net Cash Consideration		1,183,158
Cash & Cash Equivalent		(421,001)
Bank Overdrafts		116,295
Net Cash Outflow on Acquisition of Subsidiaries		878,452

32. Events Occuring After the Reporting Date

32.1 Company

The Directors have recommended the payment of a first and final dividend of Rs. 20.00 per share for the year ended 31st March, 2015 which will be declared at the Annual General Meeting to be held on 30th September, 2015. In accordance with the Sri Lanka Accounting Standard 10 - " Events Occuring After the Reporting Date" this proposed first and final dividend has not been recognized as a liability in the Financial Statements for the year ended 31st March, 2015.

Subsequent to the reporting period, no circumstances have arisen that would require adjustments to/ or disclosure in the Financial Statements other than those disclosed above.

32.2 Group

32.2.1 Beruwala Resorts PLC

Beruwala Resorts PLC a Subsidiary of the Company has entered into a Co-operation and Marketing Services Agreement with DER Tourist Koln GmbH of Germany (DTK) with regard to The Palms hotel in Beruwala Under the Agreement the hotel will be rebranded as "COOEE The Palms". The COOEE brand represents a chain of international motif hotels which DTK is developing through a number of strategic hotel partners. The DTK Group is one of the largest German Tour Operators

32.2.2 Marawila Resorts PLC

Marawila Resorts PLC a subsidiary of the Company has made a Rights Issue of 122,500,000 ordinary shares at a price of Rs. 3/- per share to the holders of the issued ordinary shares of Marawila Resorts PLC in the proportion of one (01) new ordinary share for every existing ordinary share held by them . The number of Shares subscribed for on the Rights Issue was 105,500,000 and the consideration received was Rs. 316, 500,000/-. The purpose of the Rights Issue was to raise funds for the settlement of Interest bearing borrowings.

33. Comparative Information

To facilitate comparison and where relevant, balances pertaining to the previous years have been reclassified.

Notes to the Financial Statements

34. Going Concern

(i) Lankem Paints Limited

Lankem Paints Limited, a subsidiary of the Company, has incurred a loss of Rs. 113,356,505/- (2013/14 – Rs. 32,849,550/-) during the year ended 31st March 2015 and as at that date accumulated loss was Rs. 115,658,639/- (2013/14- Rs. 1,458,226/-). Further total liabilities exceeds the total assets by Rs. 95,658,639/- and the current liabilities exceeds the current assets by Rs. 90,366,028/-. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as going concern. Hence Lankem Ceylon PLC, the parent company of Lankem Paints Limited confirm their commitment, in present circumstances to continue financial support in the business operations of Lankem Paints Limited to meet their financial obligations. As the parent of Lankem Paints Limited, they have no intention or inclination of withdrawing their support or reducing the scale of operations of the company in the forthcoming 12 months. However, the Financial Statements are prepared on going concern assumption.

(ii) Lankem Exports (Private) Limited

Lankem Exports (Private) Limited, a subsidiary of the Company, has incurred a loss of Rs.22,383,543/- (2013/14 – 7,080,854/-) during the year ended 31st March 2015 and as at that date accumulated loss was Rs. 29,571,199/- (2013/14- Rs. 7,187,656/-). Further total liabilities exceeds the total assets by Rs. 29,471,199/- (2013/14- Rs. 7,087,656/-) and the current liabilities exceeds the current assets by Rs. 31,927,333/-(2013/14- Rs. 8,001,774/-). These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as going concern. Hence, Lankem Ceylon PLC, the parent company of Lankem Exports (Private) Limited confirm their commitment, in present circumstances to continue financial support in the business operations of Lankem Exports (Private) Limited to meet their financial obligations. As the parent of Lankem Exports (Private) Limited, they have no intention or inclination of withdrawing their support for reducing the scale of operations of the company in the forthcoming 12 months. However, the Financial Statements are prepared on going concern assumption.

(iii) Sunagro Foods Limited

Sunagro Foods Limited a subsidiary of the Company, has incurred a loss of Rs.72,826,510/- (2013/14 – Rs.116,504,642/-) for the year ended 31st March 2015 and as at that date accumulated loss was Rs.228,105,072/- (2013/14- Rs.155,444,868/-). Further total liabilities exceeds the total assets by Rs.178,105,072/- (2013/14- Rs.105,444,868/-) and the current liabilities exceeds the current assets by Rs.245,459,203/- (2013/14-Rs.157,944,452). Further, company's net assets are less than half of the stated capital and face a serious loss of capital situation. These factors have effects on company's ability to continue as going concern. However the management has set an action plan which is monitored by the Board to prevent further such losses or to recoup the losses incurred. Accordingly the Directors of the Company are of the view that the company is able to continue as a going concern.

35. Impact of adoption of SLFRS 10

Investments in associates (adoption of SLFRS 10)

Under LKAS 27 Consolidated and Separate Financial Statements (prior to the adoption of SLFRS 10), the Group's indirect interest in Lankem Plantation Holdings Ltd, Lankem Developments PLC, Agarapatana Plantations Limited, Lankem Tea & Rubber Plantations (Pvt) Ltd, Kotagala Plantations PLC, Union Commodities Limited and Waverly Power (Pvt) Ltd was classified as a subsidiary and the assets, liabilities, revenue, income and expenses were fully consolidated (line by line) in the Group's financial statements. Upon adoption of Sri Lanka Financial Reporting Standard (SLFRS) No. 10, on Consolidated Financial Statements, the Group has identified these indirect investments as associates, has accounted its interest in this entity using the equity method as required and accordingly the comparatives have been restated.

The effect of adopting SLFRS 10 to the comparative year is given below

Impact on the statement of Profit or Loss and Other Comprehensive Income

	Restated Rs.'000	As per Audited Accounts Rs.'000	Change Rs.'000
Revenue	20,477,356	34,324,146	(13,846,790)
Cost of Sales	(15,247,068)	(28,450,311)	13,203,243
Gross Profit	5,230,288	5,873,835	(693,547)
Other Income	251,744	512,573	(260,829)
Share of Associate Profit/(Loss)	(23,830)	-	(23,830)
Gains/(loss) on Change in Fair Value of Biological Assets	-	224,629	(224,629)
Selling and Distribution Expense	(2,224,005)	(2,244,687)	20,682
Administrative Expense	(2,263,765)	(2,791,254)	527,489
Other Expenses	(147,846)	(217,117)	69,271
Net Finance Expense	(640,543)	(1,429,781)	789,238
Profit before Taxation	182,043	(71,802)	253,845
Income Tax Expenses	(162,248)	(248,263)	86,015
Profit after Taxation	19,795	(320,065)	339,860
Other Comprehensive Income			
Net change in fair value of available for sale financial assets	18,460	18,552	(92)
Defined benefit plan actual gain/(losses)	58,901	(13,633)	72,534
Share of Associate Other Comprehensive Income	(7,741)	-	(7,741)

Notes to the Financial Statements

Impact on the Statement of Financial Position

	31st March 2014			1st April 2013		
	Restated	As per audited accounts	Change	Restated	As per audited accounts	Change
ASSETS						
Non Current Assets						
Property, Plant & Equipment	6,790,742	14,691,300	(7,900,558)	6,482,601	13,951,165	(7,468,564)
Investment Property	72,569	166,215	(93,646)	52,856	52,856	-
Leasehold Right to Land	-	402,929	(402,929)	2,312	418,142	(415,830)
Biological Assets	-	928,506	(928,506)	-	703,816	(703,816)
Intangible Assets	441,206	532,564	(91,358)	441,522	532,880	(91,358)
Investments in Subsidiaries	-	-	-	-	-	-
Investment in Equity Accounted Investees	646,521	-	646,521	629,146	-	629,146
Financial Assets Available for sale	640,012	377,637	262,375	479,288	269,492	209,796
Defined benefit obligations plan assets	127,622	127,622	-	118,788	118,788	-
Deferred Tax Asset	72,050	72,050	-	45,632	45,632	-
	8,790,722	17,298,823	(8,508,101)	8,252,145	16,092,771	(7,840,626)
Current Assets						
Inventories	3,086,769	4,749,934	(1,663,165)	2,956,127	4,021,627	(1,065,500)
Amount Due from Related Companies	305,424	1,562,082	(1,256,658)	245,029	1,819,149	(1,574,120)
Trade & Other Receivables	5,060,497	6,058,574	(998,077)	4,930,469	5,848,548	(918,079)
Income Tax Refund due	62,070	161,237	(99,167)	45,226	60,948	(15,722)
Investment Classified as Fair value Through Profit and Loss	180,075	192,144	(12,069)	307,956	320,519	(12,563)
Cash and Cash Equivalents	500,644	1,154,199	(653,555)	398,041	1,474,265	(1,076,224)
	9,195,479	13,878,170	(4,682,691)	8,882,848	13,545,056	(4,662,208)
Total Assets	17,986,201	31,176,993	(13,190,792)	17,134,993	29,637,827	(12,502,834)
EQUITY AND LIABILITIES						
Equity						
Stated Capital	25,731	25,731	-	25,731	25,731	-
Capital Reserves	126,715	126,715	-	126,715	126,715	-
General Reserve	21,679	21,679	-	21,679	21,679	-
Retained Earnings	3,040,809	2,945,828	94,981	3,045,954	3,079,617	(33,663)
Non Controlling Interest	3,388,168	5,335,335	(1,947,167)	3,498,507	5,621,908	(2,123,401)
Total Equity	6,603,102	8,455,288	(1,852,186)	6,718,586	8,875,650	(2,157,064)
Non Current Liabilities						
Interest Bearing Loans and Borrowings	1,583,225	4,010,508	(2,427,283)	1,414,430	4,238,857	(2,824,427)
Deferred Income	25,436	573,777	(548,341)	27,497	570,152	(542,655)
Deferred Tax Liability	149,310	652,121	(502,811)	123,876	479,653	(355,777)
Retirement Benefit Obligations	506,004	2,300,258	(1,794,254)	503,085	2,062,388	(1,559,303)
	2,263,975	7,536,664	(5,272,689)	2,068,888	7,351,050	(5,282,162)
Current Liabilities						
Interest Bearing Loans and Borrowings	3,085,588	5,467,285	(2,381,697)	2,727,740	4,559,656	(1,831,916)
Current Taxation Payable	84,980	94,879	(9,899)	93,705	104,688	(10,983)
Trade & Other Payables	3,184,282	5,851,209	(2,666,927)	2,938,823	4,859,856	(1,921,033)
Amount Due to Related Companies	972,205	622,223	349,982	1,072,925	676,314	396,611
Bank Over Draft	1,792,069	3,149,445	(1,357,376)	1,514,326	3,210,613	(1,696,287)
Total Current Liabilities	9,119,124	15,185,041	(6,065,917)	8,347,519	13,411,127	(5,063,608)
Total Equity, Minority Interest and Liabilities	17,986,201	31,176,993	(13,190,792)	17,134,993	29,637,827	(12,502,834)

36. Fair values of Financial Instruments

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level I: Quoted market price (unadjusted) in an active market for an identical instrument.

Level II: Valuation techniques based on observable inputs, either directly – i.e. as prices or indirectly – i.e. derived from prices. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level III: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Financial Instruments carried at Fair Value

Group

	Level I		Level II		Level III		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Financial Assets Available for sale	109,734	63,509	11,959	14,250	414,908	562,252	536,601	640,012
Financial Assets Fair Value Through Profit and Loss	197,246	180,075	-	-	-	-	197,246	180,075
Total	306,980	243,585	11,959	14,250	414,908	562,252	733,847	820,087

Financial Instruments carried at Fair Value

Company

	Level I		Level II		Level III		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Financial Assets Available for sale	2,350	1,606	-	-	-	-	2,350	1,606
Financial Assets Fair Value Through Profit and Loss	-	-	-	-	-	-	-	-
Total	2,350	1,606	-	-	-	-	2,350	1,606

Notes to the Financial Statements

37. Non - Controlling Interest in Subsidiaries

Financial information of subsidiaries that have material non controlling interest (NCI) is provided below

	2015		2014	
	Trading Consumer Products Rs.' 000	Leisure Rs.' 000	Trading Consumer Products Rs.' 000	Leisure Rs.' 000
Revenue	17,570,755	989,186	17,826,907	1,097,978
Operating Costs	(16,897,532)	(494,333)	(17,373,650)	(947,400)
Net Finance Expense	(518,760)	(185,598)	(364,122)	(117,810)
Profit before Taxation	154,463	309,255	89,135	32,768
Income Tax Expenses	(129,422)	(6,079)	(154,821)	(21,305)
Profit after Taxation	25,041	303,176	(65,686)	11,463
Other Comprehensive Income for the year net of tax	(17,516)	40,839	70,757	(5,909)
Total Comprehensive income for the year	2,891,399	344,015	5,071	5,554
Profit/(Loss) allocated to Material NCI	7,525	(149,598)	55,390	5,772
Dividend Paid to NCI	43,678	24,974	84,052	6,586
Assets				
Current Assets	9,100,481	1,215,169	8,889,691	1,415,378
Non Current Assets	7,211,775	6,755,331	5,333,261	6,670,051
Total Assets	16,312,256	7,970,500	14,222,952	8,085,429
Liabilities				
Current Liabilities	8,819,042	1,913,947	8,312,845	1,805,646
Non Current Liabilities	1,669,350	826,350	861,410	862,480
Total Liabilities'	10,488,392	2,740,297	9,174,255	2,668,126
Accumulated balances of material NCI	1,409,245	1,574,264	1,648,287	1,739,881
Summarized cash flow information for year ending 31 March				
Cash flows from operating activities	180,655	36,471	266,213	39,534
Cash flows from/(used in) investing activities	(558,090)	(218,425)	(467,842)	(205,327)
Cash flows from/(used in) financing activities	110,461	177,683	43,676	70,352
Net increase / (decrease) in cash and cash equivalents	(266,974)	(4,271)	(157,953)	(95,441)

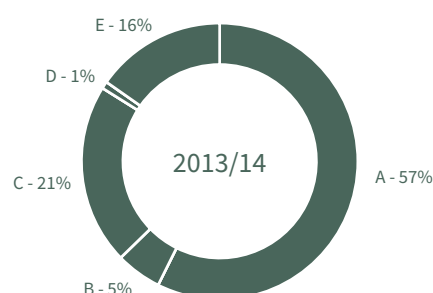
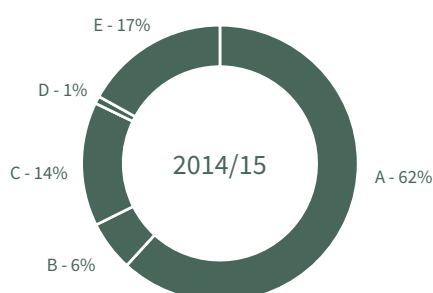
Names of material partly-owned subsidiaries and effective holding %

	Principal place of business	NCI effective holding	
		2015	2014
Trading Consumer Products			
Muller & Phipps (Ceylon) PLC	No .98, Sri Sangaraja Mawatha, Colombo 10	48.74%	48.74%
Pettah Pharmacy (Pvt) Ltd	No .98, Sri Sangaraja Mawatha, Colombo 10	48.74%	48.74%
Laxapana Batteries PLC	No .98, Sri Sangaraja Mawatha, Colombo 10	48.42%	48.42%
Lankem Ceylon PLC	No .98, Sri Sangaraja Mawatha, Colombo 10	52.04%	52.04%
Lankem Paints Ltd	No .98, Sri Sangaraja Mawatha, Colombo 10	52.04%	52.04%
Lankem Consumer Products Ltd	No .98, Sri Sangaraja Mawatha, Colombo 10	52.04%	52.04%
Lankem Chemicals Ltd	No .98, Sri Sangaraja Mawatha, Colombo 10	52.04%	52.04%
Lankem Exports (Pvt) Ltd	No .98, Sri Sangaraja Mawatha, Colombo 10	52.05%	52.05%
Sun Agro Life Science Ltd	No .98, Sri Sangaraja Mawatha, Colombo 10	52.04%	52.04%
Sun Agro Farms Ltd	No .98, Sri Sangaraja Mawatha, Colombo 10	52.04%	52.04%
Sun Agro Foods Ltd	No .98, Sri Sangaraja Mawatha, Colombo 10	52.04%	52.04%
Lankem Research Ltd	No .98, Sri Sangaraja Mawatha, Colombo 10	52.04%	52.04%
Associated Farms Ltd	No .98, Sri Sangaraja Mawatha, Colombo 10	52.04%	52.04%
C.W. Mackie PLC	No .36, D.R. Wijewardana Mawatha, Colombo 10	81.28%	78.12%
Ceylon Tapes (Pvt) Ltd	-	52.04%	-
J.F. Packaging (Pvt) Ltd	-	65.23%	-
Leisure			
Colombo Fort Hotels Ltd		59.13%	59.13%
Galle Fort Hotels (Pvt) Ltd.	No .28, Church Street, Fort	59.13%	59.13%
Sigiriya Village Hotels PLC	Sigiriya	71.58%	71.34%
Marawila Resorts PLC	Thalailawella, Thoduwawa, Marawila	78.14%	77.77%
Beruwala Resorts Ltd	Moragalla, Beruwala	69.44%	68.69%
BOT Hotel Services (Pvt) Ltd	8-5/2, Leyden Bastian Road, Colombo 01	69.44%	68.69%
York Hotels (Kandy) Ltd	53-1/4, Sir Baron Jayathilaka Mawatha, Colombo 01	81.33%	74.52%
Lankem Technology Services Ltd	No .98, Sri Sangaraja Mawatha, Colombo 10	52.04%	52.04%

Statement of Value Added

	%	2014/15 Rs. '000.	%	2013/14 Rs. '000.
Turnover from Operations		20,386,004		20,477,356
Cost of Goods and Services		(16,955,711)		(17,704,292)
		3,430,293		2,773,064
Other Income Including Exceptional Items		175,378		251,744
Total Value Added		3,605,671		3,024,808
Distribution of Value Added				
To Employees				
Salaries, Wages and Other Related Costs	52.76	1,902,318	47.87	1,447,821
Compensation to Key Management Personnel	9.03	325,502	9.48	286,783
	61.79	2,227,820	57.35	1,734,604
To Government				
Corporate tax	5.89	212,297	5.36	162,248
To Lenders of Capital				
Net Interest	14.49	522,571	21.18	640,543
To Share Holders				
Dividend	0.88	31,693	0.84	25,355
Retained for Growth				
Depreciation	12.94	466,737	14.02	424,190
Retained Earnings	4.01	144,553	1.25	37,868
	16.95	611,290	15.27	462,058
	100.00	3,605,671	100.00	3,024,808

Statement of Value Added



A - To Employees

B - To Government

C - To Lenders of Capital

D - To Share Holders

E - Retained for Growth

Share Information

1. Market Value

The market value of the Company's ordinary shares was

	2015 Rs.	2014 Rs.
Highest	1,250.00	1,400.00
Lowest	900.00	875.00
Close	1,049.90	905.00

2 Public Holding

The Percentage of shares held by the public as at 31st March 2015 was 25.84%. (31st March 2014 – 25.88%)

Public Shareholders

The number of Public shareholders as at 31st March 2015 was 627

3. Distribution of Ordinary Shares

	No. of Shares Held	31st March, 2015			31st March, 2014		
		No. of Shareholders	Total Holdings	% of Total Shares	No. of Shareholders	Total Holdings	% of Total Shares
1	- 1,000	608	64,381	2.54	668	75,772	2.99
1,001	- 10,000	24	59,353	2.34	24	59,357	2.34
10,001	- 100,000	2	112,098	4.42	2	110,404	4.35
100,001	- 1,000,000	5	956,456	37.72	5	946,755	37.34
Over	- 1,000,000	1	1,343,170	52.98	1	1,343,170	52.98
		640	2,535,458	100.00	700	2,535,458	100.00

Categories of Shareholders

	31st March, 2015			31st March, 2014		
	No. of Shareholders	Total Holdings	% of Total Shares	No. of Shareholders	Total Holdings	% of Total Shares
Individuals	584	196,662	7.75	642	205,441	8.10
Institutions	56	2,338,796	92.25	58	2,330,017	91.90
	640	2,535,458	100.00	700	2,535,458	100.00

Share Information

4. Twenty Major Shareholders

Name	2015		2014	
	No. of Shares	%	No. of Shares	%
The Colombo Fort Land and Building PLC	1,343,170	52.98	1,343,170	52.98
Seylan Bank PLC/Thirugnanasambandar Senthilverl	419,650	16.55	409,949	16.17
Union Investments (Private) Ltd.	167,700	6.61	167,700	6.61
Colombo Fort Investments PLC	158,180	6.24	158,180	6.24
Est of Late Mariapillai Radhakrishnan (Deceased)	106,454	4.20	106,454	4.20
Colombo Investment Trust PLC	104,472	4.12	104,472	4.12
C M Holdings PLC	100,000	3.94	100,000	3.94
Mr. Thotawattage Rohan Lakshana Perera	12,098	0.48	10,404	0.41
Tranz Dominion, L.L.C.	7,001	0.28	7,001	0.28
Photokina Ltd.	6,804	0.27	6,804	0.27
Sisira Investors Ltd.	6,138	0.24	6,138	0.24
Mr. Mohamed Hussain Mohammed Sanoon	3,500	0.14	3,500	0.14
Waldock Mackenzie Ltd./				
Mr. M.A.N. Yoosufali	3,100	0.12	3,100	0.12
Sampath Bank PLC/ Dr. T. Senthiverl	2,977	0.12	2,977	0.12
The Incorporated Trustees of				
The Church of Ceylon	2,828	0.11	2,828	0.11
Consolidated Holdings (Private) Ltd.	2,596	0.10	2,596	0.10
Dr. Hettiarachchige Walter Elliot Tissera	2,021	0.08	2,021	0.08
Mr. Sri Dhaman Rajendram Arudpragasam	2,000	0.08	2,000	0.08
Mr. Sithampalam Abishek	1,800	0.07	1,800	0.07
Mr. Semasinghe Navaratne Chandrasekera				
Wanninayaka Mudiyanseleage Bandara Chandrasekera Kandededara	1,800	0.07	1,800	0.07
Total	2,454,289	96.80	2,442,894	96.35

Group Financial Summary

	2005/06*	2006/07*	2007/08*	2008/09*	2009/10*	2010/11*	2011/12*	2012/13*	2013/14	2014/15
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
									Restated	
Trading Results										
Revenue	9,976,254	10,797,072	12,155,452	12,479,798	13,955,375	28,250,587	27,904,133	29,093,808	20,477,356	20,386,004
Profit/(Loss) before Tax	478,222	573,875	899,162	353,722	882,217	2,404,908	1,102,231	991,960	182,043	310,910
Income Tax Expense	(115,343)	(145,281)	(217,048)	(207,121)	(298,738)	(286,167)	(304,784)	(247,347)	(162,248)	(212,297)
Profit/ (Loss)for the Year	362,879	428,594	682,115	146,601	583,479	2,118,741	797,447	744,613	19,795	98,613
Non-controlling Interest	93,832	305,119	620,494	42,893	390,834	1,413,960	561,336	466,358	(18,073)	(45,941)
Equity Holders of the Parent	269,047	123,475	61,620	103,708	192,645	704,781	236,111	278,255	37,868	144,554
Assets Employed										
Property, Plant & Equipment	4,948,425	5,804,020	6,098,209	6,708,814	9,005,741	10,391,140	11,728,826	14,422,163	6,863,311	8,352,753
Investments	3,984	3,780	89,037	54,157	55,715	203,537	273,294	269,492	640,012	536,601
Biological Assets	-	-	-	-	-	622,142	588,650	703,816	-	-
Intangible Assets	15,260	15,260	82,026	93,458	162,863	334,373	533,258	532,880	441,206	594,108
Investment in Associate	-	-	-	-	-	-	-	-	646,521	536,426
Other Non-Current Assets	-	476	276	68,564	122,628	127,792	143,195	164,420	199,672	202,994
Net Current Assets/ (Liabilities)	(1,383,216)	(1,044,776)	(692,278)	(789,394)	(95,578)	1,751,280	751,015	133,929	76,355	(1,009,910)
	3,584,453	4,778,760	5,577,270	6,135,599	9,251,369	13,430,264	14,018,238	16,226,700	8,867,077	9,212,972
Equity										
Stated Capital	25,355	25,731	25,731	25,731	25,731	25,731	25,731	25,731	25,731	25,731
Reserves	604,783	326,821	383,753	628,999	1,266,912	148,394	148,394	148,394	148,394	133,005
Equity Attributable to Parent	630,138	352,522	409,484	654,730	1,292,643	2,445,098	2,806,384	3,079,617	3,040,809	3,152,270
Non-controlling Interest	496,710	1,707,955	2,363,964	2,112,173	3,248,587	5,212,440	5,337,819	5,621,908	3,388,168	2,983,509
	1,126,848	2,060,507	2,773,448	2,766,903	4,541,230	7,831,663	8,318,328	8,875,650	6,603,102	6,294,515
Long-Term Liabilities										
Deferred Liabilities	1,731,274	1,847,870	1,758,887	2,115,654	2,931,466	3,462,827	3,347,236	4,809,011	1,608,661	2,134,221
	726,331	870,383	1,044,935	1,253,042	1,778,673	2,135,774	2,352,674	2,509,023	655,314	784,236
	2,457,605	2,718,253	2,803,822	3,368,696	4,710,139	5,598,601	5,699,910	7,318,034	2,263,975	2,918,457
	3,584,453	4,778,760	5,577,270	6,135,599	9,251,369	13,430,264	14,018,238	16,226,700	8,867,077	9,212,972

* The impact of adoption of SLFRS 10, as more fully described in Note No. 35 to the Financial Statements, the mandatory restatement of comparative figures, are limited to one year (i.e limited to 2013/14)

Form of Proxy

I/We.....
of.....
being a member/members of E.B. Creasy & Company PLC, hereby appoint
.....ofwhom failing

- | | |
|---|---------------------------|
| 1. Alagarajah Rajaratnam | of Colombo or failing him |
| 2. Sri Dhaman Rajendram Arudpragasam | of Colombo or failing him |
| 3. Sanjeev Rajaratnam | of Colombo or failing him |
| 4. Rohan Chrisantha Anil Welikala | of Colombo or failing him |
| 5. Ranjit Noel Bopearatchy | of Colombo or failing him |
| 6. Parakrama Maithri Asoka Sirimane | of Colombo or failing him |
| 7. Albert Rasakantha Rasiah | of Colombo or failing him |
| 8. Shanthikumar Nimal Placidus Palihena | of Colombo or failing him |
| 9. Azeez Mohamed Mubarak | of Colombo or failing him |
| 10. Ajit Mahendra de Silva Jayaratne | of Colombo or failing him |
| 11. Ranjeevan Seevaratnam | of Colombo or failing him |
| 12. Sanjeewa Wijesiri Gunawardena | of Colombo |

as my/our proxy to represent me/us and to speak and vote on my/our behalf at the Eighty Second Annual General Meeting of the Company to be held on 30th September 2015 and at any adjournment thereof and at every poll which may be taken in consequence of the aforesaid meeting.

	For	Against
• To receive the Annual Report of the Board of Directors and the Statements of Accounts for the year ended 31st March 2015 with the Report of the Auditors thereon	<input type="checkbox"/>	<input type="checkbox"/>
• To declare a First and Final Dividend as recommended by the Directors.	<input type="checkbox"/>	<input type="checkbox"/>
• To re-elect Mr. A.R. Rasiah as a Director	<input type="checkbox"/>	<input type="checkbox"/>
• To re-appoint Mr. R.N. Bopearatchy as a Director	<input type="checkbox"/>	<input type="checkbox"/>
• To re-appoint Mr. A. Rajaratnam as a Director	<input type="checkbox"/>	<input type="checkbox"/>
• To re-appoint Mr. A.M. de S. Jayaratne as a Director	<input type="checkbox"/>	<input type="checkbox"/>
• To re-appoint Mr. R. Seevaratnam as a Director	<input type="checkbox"/>	<input type="checkbox"/>
• To authorize the Directors to determine contributions to charities	<input type="checkbox"/>	<input type="checkbox"/>
• To reappoint as Auditors KPMG and authorize the Directors to determine their remuneration	<input type="checkbox"/>	<input type="checkbox"/>

The proxy may vote as he/she thinks fit on any resolution brought before the meeting.
As witness my /our hands thisday of.....Two Thousand and Fifteen.

.....
Signature

Note

A proxy need not be a member of the Company. If no words are deleted or there is in the view of the proxy doubt (by reason of the manner in which the instructions contained in the Form of Proxy have been completed) as to the way in which the proxy should vote, the proxy may vote as he/she thinks fit. Instructions for completion appear overleaf.



Form of Proxy

Instructions as to Completion

1. Perfect the Form of Proxy, after filling in legibly your full name and address by signing in the space provided and filling in the date of signature.
2. In the case of Corporate Members the Form of Proxy must be under the Common Seal of the Company or under the hand of an Authorized Officer or Attorney.
3. Where the Form of Proxy is signed under a Power of Attorney (POA) which has not been registered with the Company, the original POA together with a photocopy of the same, or a copy certified by a Notary Public must be lodged with the Company's Secretaries, along with the Form of Proxy.
4. The completed Form of Proxy should be deposited at the Registered Office of the Company's Secretaries, Corporate Managers & Secretaries (Private) Limited., 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 01, not less than forty-eight (48) hours before the time appointed for the meeting.

Corporate Information

Name of the Company

E. B. Creasy & Company PLC (EBCPLC)

Legal Form

Public quoted company with limited liability incorporated in Sri Lanka under the Joint Stock Companies Ordinance 1861.

Company Number

PQ 182

Principal Activities

The principal activities are manufacture of consumer disposables and marketing of hardware and automotive accessories.

Stock Exchange Listing

The ordinary shares of the Company are listed with the Colombo Stock Exchange of Sri Lanka.

Registered Office

P.O. Box 37, No. 98, Sri Sangaraja Mawatha, Colombo 10
Telephone: 94 (11) 2421311, Fax: 94 (11) 2448534

Board of Directors

A. Rajaratnam, FCA - Chairman
(Alternate - Anushman Rajaratnam)
S.D.R. Arudpragasam, FCMA, (UK) - Managing Director
S. Rajaratnam, B.Sc. CA - Deputy Managing Director

Directors

R.C.A. Welikala
R.N. Bopearatchy, B.Sc. (Cey.), Dip. BM, MBA
P.M.A. Sirimane, FCA, MBA
A.R. Rasiyah, B.Sc. (Cey.), FCA
S.N.P. Paliheena, F.C.I.B. (U.K.), F.I.B., Post Gr. Dip. Bus. & FA
Dr. A.M. Mubarak, B.Sc. (Hons) (Cey), Ph.D.
R. Seevaratnam, B.Sc (Lond.), FCA (Eng. and Wales) FCA (ICASL)
A.M. de S. Jayaratne B.Sc (Econ.) FCA (Eng. and Wales) FCA (ICASL)
S.W. Gunawardena B.Sc., MBA

Secretaries

Corporate Managers & Secretaries (Private) Limited
No. 8-5/2, Leyden Bastian Road
York Arcade Building, Colombo 01

Auditors

KPMG
Chartered Accountants
P.O. Box 186, Colombo 03

Legal Advisers

Julius & Creasy
P.O. Box 154, Colombo 01

Bankers

Hatton National Bank PLC
Standard Chartered Bank
Commercial Bank of Ceylon PLC
Bank of Ceylon
National Development Bank PLC
Pan Asia Banking Corporation PLC
Union Bank of (Colombo) Ltd.
People's Bank
Seylan Bank PLC
Nations Trust Bank PLC
Sampath Bank PLC

Subsidiaries

Darley Butler & Co. Ltd.(DBCL)
Creasy Foods Ltd.(CFL)
Laxapana Batteries PLC (LBP)
Island Consumer Supplies (Pvt) Ltd.(ICSL)
Filmpak Ltd.(FPL)
Group Three Associates (Pvt) Ltd.(GTA)
Corporate Systems Ltd.(CSL)
E. B. Creasy Logistics Ltd.(EBL)
Muller & Phipps (Ceylon) PLC (MPP)
Lankem Ceylon PLC (LCP)
Lankem Paints Ltd.(LPL)
Lankem Consumer Products Ltd.(LCPL)
Lankem Chemicals Ltd.(LC)
Lankem Technology Services Ltd.
SunAgro Farms Ltd.
SunAgro Foods Ltd.(SAF)
SunAgro LifeScience Ltd.(SALS)
Lankem Research Ltd.(LRL)
Lankem Export (Pvt) Ltd.(LEL)
Sigiriya Village Hotels PLC (SVH)
Marawila Resorts PLC (MRP)
Colombo Fort Hotels Ltd. (CFHL)
Beruwala Resorts PLC (BRP)
York Hotels (Kandy) Ltd. (YHK)
Associated Farms Ltd. (AFL)
C. W. Mackie PLC
Creasy Plantation Management Ltd. (CPML)
Lankem Plantation Services Ltd. (LPPL)
Pettah Pharmacy (Pvt) Ltd. (PPL)
Muller & Phipps Agency (Pvt) Ltd.
B.O.T. Hotel Services Ltd. (BOT)
Galle Fort Hotel (Pvt) Ltd.
Ceylon Tapes (Pvt) Ltd.
J.F. Packaging (Pvt) Ltd.
Lanka Special Steels Limited.

Associates

Lankem Plantation Holdings Ltd. (LPHL)
Lankem Developments PLC (LDP)
Agarapatana Plantations Ltd. (APL)
Waverly Power (Pvt) Ltd. (WPL)
Lankem Tea & Rubber Plantations (Pvt) Ltd. (LTR)
Kotagala Plantations PLC (KPP)
Union Commodities Ltd.

P.O. Box 37,
No 98,
Sri Sangaraja Mawatha,
Colombo 10,
Sri Lanka.

www.ebcreasy.com