



World Class Possibilities

CONTENTS

Vision, Culture & Values	1
Origins	2
Portfolio	3
Financial Highlights	4-5
Profile of Directors	6
Chairman's Review	7-8
Corporate Governance	9-10
Audit and Remuneration Committee Reports	11
Risk Management	12-13
Sustainability Report	14-15
Report of the Directors on the affairs of the Company	16-17
Statement of Directors' responsibilities	18
Independent Auditors Report	19
Income Statement	20
Balance Sheet	21
Statements of changes in equity	22
Cash flow statements	23
Notes to the Financial Statements	24-58
Shareholders Information	59-61
Notice of Annual General Meeting	62
Proxy (Enclosed)	
Corporate Information (Inner Back Cover)	

VISION

To be a leading Sri Lankan conglomerate excelling through pioneering ventures with a global presence by the year 2016.

CULTURE AND VALUES

Renuka's culture reflects more than just a structure. It is a statement of values. Our commitment to a responsive, enterprising, nurturing, unrelenting, knowledgeable and accountable workplace enables us to build our relationships, with clients and with colleagues, on honesty and trust. It drives our ability to deliver great products and services and to generate superior long-term financial performance for our shareholders.

The 6 letters of our name symbolizes the 6 core values that make up our culture. The stylized shape of Sri Lanka is also reminiscent of pods or coconuts, with the letter "R" embedded representing Renuka in Sri Lanka.

Our corporate motto is "World Class Possibilities" reflecting our international standards of excellence and the opportunities that Renuka presents.



ORIGINS

Renuka Holdings Plc traces its origins to a shipping company founded in the later part of the 19th century in then Ceylon.

The Cargo Boat Despatch Company was established in 1866 by Ana G. Mahamadu. In 1936 the late Alfred L. Thambiyah acquired the company from Harry and John Cosmas, its then foreign owners and grew it to the forefront of shipping, trading and agriculture, accounting for the majority of the business of the Port of Colombo prior to nationalization in 1958. Although the company was facing great difficulties, to counter the adverse business climate Mr A.L.Thambiyah set about diversifying. During his tenure the company became a leading shipping agency house, set up Renuka Hotels Ltd and The Cargo Boat Development Co. PLC and became significant shareholders in Millers, Cargills and Hatton National Bank.

In the early 1970's nationalization of plantations and land took place, followed by the liberalization of the economy. In 1976 Renuka Enterprises was incorporated by Mr. Thambiyah's daughter Renuka, to commence business as an exporter of agricultural commodities. The export business grew by over 500% in the first 3 years, paving the way for investments in other areas. During this period the group also acted as a promoter for infrastructure development projects such as construction of the Victoria and Randenigala dams with foreign partners.

During the 1980's Renuka forayed into the value added export of Ceylon tea, manufacture and export of coconut products and logistics. In the late 1980's the Group was re-organized with certain shareholdings being divested.

Since the 1990's we have being on a path of rapid growth venturing into plantations, manufacture and export of organic certified products, portfolio management, forestry among others.

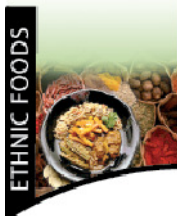
Today Renuka Holdings PLC is the holding company of a diversified organization and is responsible for the strategic direction of the group.

AGRI BUSINESS SECTOR



COCONUT PRODUCTS:

Renuka Agri Foods PLC is listed under the food and beverage sector of the Colombo Stock Exchange. It manufactures and markets a range of premium coconut products; coconut milk powder, aseptic coconut milk, canned coconut milk, creamed coconut, defatted coconut among others.



ETHNIC FOOD:

Renuka Agro Exports Ltd is engaged in the export of desiccated coconut and ethnic food products; spices, curry powders, ready to eat mixes and rice.



ORGANIC FOOD & BEVERAGES:

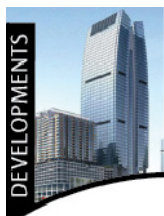
Renuka Organics (Pvt) Ltd is the Organic License holder and along with its subsidiaries Renuka Witsenburg Organics (Pvt) Ltd and Kandy Plantations Ltd, they cultivate, manufacture and export organic virgin coconut oil and Organic fruits and spices.



TEA:

Renuka Teas (Ceylon) (Pvt) Ltd manufactures and exports Ceylon black, green, flavoured and herbal tea in bulk, packets, tea bags and specialty packaging.

DEVELOPMENTS



Renuka Developments Ltd and its subsidiary Island Capital (Pvt) Ltd owns valuable real estate in central Colombo earmarked for commercial developments.

INVESTMENT & SERVICE SECTOR



FORESTRY:

Ceylon Forestry (Pvt) Ltd is engaged in planting and managing timber plantations as an investment.



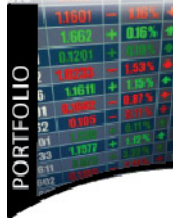
LOGISTICS & SHIPPING:

Renuka Travel & Tours (Pvt) Ltd is in the business of providing logistics services; whilst its affiliate The Cargo Boat Despatch Company Ltd is the oldest shipping house and stevedoring company in Sri Lanka. We are agents for leading international shipping companies, clearing and forwarding agents, cargo consolidators and representatives for several leading non vessel operating common carriers.



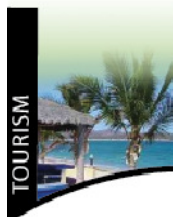
MANAGEMENT & PROMOTER SERVICES:

Renuka Enterprises (Pvt) Ltd is engaged in the provision of management services of Finance, Information Technology, Human Resources, Legal and Secretarial to group companies. It also acts a promoter to foreign principles in the various development projects in Sri Lanka.



PORTFOLIO MANAGEMENT:

Coco Lanka PLC is a listed investment trust on the Colombo Stock Exchange and manages a portfolio of listed equity.



TOURISM REAL ESTATE:

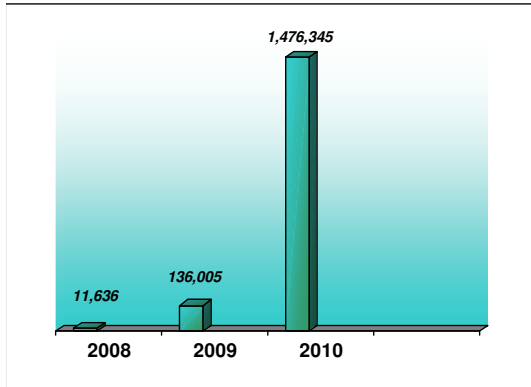
Renuka Resorts Ltd owns Coastal Real Estate in the Eastern Province while Renuka Villas (pvt) Ltd owns Tourism Real Estate in the Northern Province for future development.

FINANCIAL HIGHLIGHTS

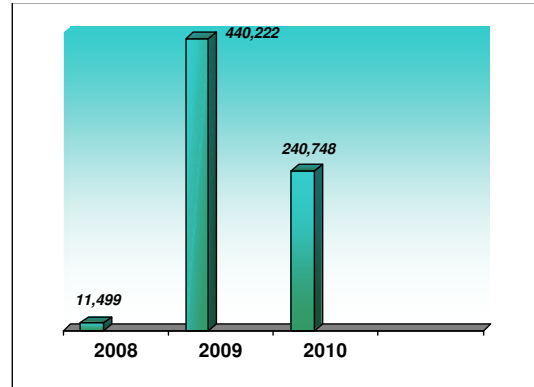
YEAR ENDED 31ST MARCH	2010	2009	2008
Trading Results			
Turnover (Rs 000's)	1,476,345	136,005	11,636
Profits before Income Tax (Rs 000's)	387,120	446,878	11,869
Profits attributable to equity shareholders (Rs 000's)	240,748	440,222	11,499
Ordinary Dividend - Gross (Rs 000;s)	40,000	15,000	6,000
Cash Generated from Operations (Rs 000's)	155,194	202,243	4,124
Balance Sheet Highlights			
Total Assets (Rs 000's)	2,748,213	1,826,556	410,695
Total Equity (Rs 000's)	2,255,748	1,431,300	405,779
Key Ratios			
Gearing %	1.04	5.73	-
Return on Average Shareholders Funds (%)	20.82	50.00	2.83
Return on Average Total Capital (%)	16.54	30.96	2.83
Share Information			
Net Asset Value Per Share (Rs)	23.12	17.60	10.82
Dividends Per Share (Rs)	0.80	0.40	0.16
Earnings Per Share (Rs)	5.04	9.54	0.31
Market Price Per Share at the year end (Rs)			
Voting	26.75	9.50	14.90
Non Voting	21.50	-	-
Number of Shares (Rs 000's)			
Voting	43,750	37,500*	37,500*
Non Voting	6,250	-	-
Total	50,000	37,500	37,500
Market Capitalization (Rs 000's)			
Voting	1,170,313	356,250	558,750
Non Voting	134,375	-	-
Total	1,304,688	356,250	558,750
P/E Ratio (x)			
Voting	5.31	1.00	48.06
Non Voting	4.27	-	-

* The number of shares have been restated to enable comparison with the year 2010 as to reflect the five for one share split.

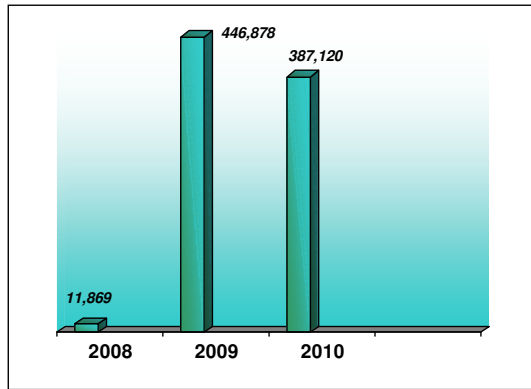
FINANCIAL HIGHLIGHTS
GRAPHICAL VIEW



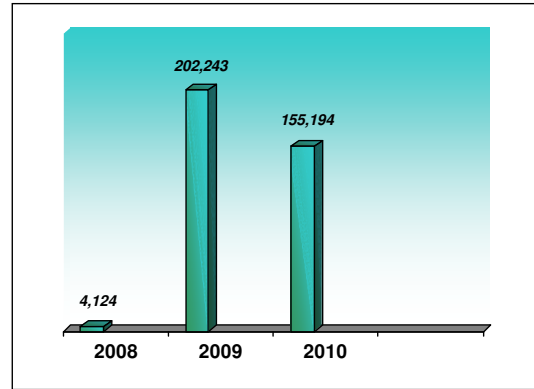
Turnover over 3 years
(Rs. Mn)



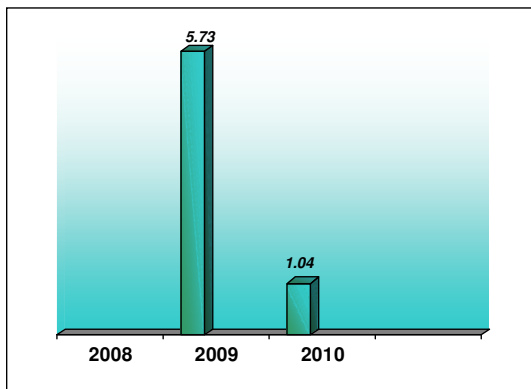
Profit attributed to Equity holders
(Rs. Mn)



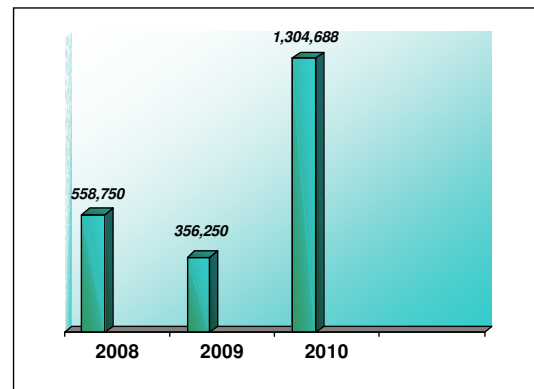
Profit before Tax over 3 years
(Rs. Mn)



Cash Generated from Operations
over 3 years (Rs. Mn)



Gearing Ratio over 3 Years



Market Capitalization over 3 years
(Rs. Mn)

PROFILES OF DIRECTORS

Mrs. I. R. Rajiyah

Executive Chairperson

Mrs. Rajiyah is qualified in business studies from the United Kingdom. She has over 35 years experience in founding and running businesses. She is a fellow of the British Institute of Management.

Dr. S. R. Rajiyah

Executive Director

Dr Rajiyah holds a MBBS from the University of Ceylon, Colombo faculty and he is a medical doctor by qualification. He has over 30 years experience in founding and running businesses. He is a member of the Policy and Advisory Committee on Coconut of the Ministry of Plantation Industries.

Mr. C. J. De S. Amaratunga

Independent Non Executive Director

Mr. Amaratunga is an attorney at law and Notary Public having 40 years experience in all civil branches of the law including Commercial Corporate Convenancing and Litigation. Currently senior partner of M/s Dissanayake Amaratunga Associates.

Mr. S. V. Rajiyah

Executive Director

Mr. Rajiyah is a graduate in Management from the Warwick Business School, United Kingdom. He has 9 years experience in General Management. His direct interests include corporate strategy, international brand development and development studies.

Mr L.M.Abeywickrama

Independent Non Executive Director

Mr. Abeywickrama is a Management consultant and trainer with over 20 years management experience in the private sector both Sri Lanka and Overseas. He holds a Bachelors Degree in Science from the University of Colombo, a Post Graduate Diploma in Marketing from the Chartered Institute of Marketing and MBA from the American University Washington DC. He is a fellow of the Chartered Institute of Marketing and a past Chairman of the CIM Sri Lanka Region.

Mr P.C.K.Abeykoon

Independent Non Executive Director

Mr Abeykoon is an experienced and qualified financial specialist. An associate of the Institute of Chartered Accountants of Sri Lanka. A fellow member of Society of Cost Management Accountants of Sri Lanka, having over 15 years of professional experience in business. He holds a Bachelors' Degree in Business Management from the University of Sri Jayewardenepura and a Master Degree in Business Administration from the Postgraduate Institute of Management, University of Sri Jayewardenepura.

Mr. M. S. Dominic

Independent Non Executive Director

Mr. Dominic holds a BSc Hons in Information Technology from the University of South Bank, United Kingdom. He has over 25 years of experience in the Information Technology field.

CHAIRPERSON'S REVIEW

Dear Shareholders,

I welcome you to the thirtieth Annual General Meeting of the company and on behalf of the Board of Directors wish to present the Annual Report and Audited Accounts of the Company for the year ended 31st March 2010.

The Economy

With the conclusion of the long standing conflict in the country in 2009, the Sri Lankan economy recorded a turnaround, which brought with it a sense of optimism and confidence to the country. Domestic factors in the year under review have therefore, overridden the negative sentiment that was prevalent in most global economies which have been in recession in the year 2009. The remarkable turn of events in Sri Lanka saw the Colombo Stock Exchange (CSE) being rated the second best performing market in the world for the calendar year 2009.

The economic and market turnaround was very much evident in the second half of the year with both economic activity and stock market indices gaining rapid ground during this period. The economy bounced back to 6.2% growth in the last quarter of 2009, a trend reflective of the expectations in the coming years.

Company Performance

The Colombo Stock Exchange appreciated 125% for 2009 and 127% for the financial year 2009/2010 after two years of negative returns. Market capitalization surpassed the important Rs 1 Trillion mark during the year. Activity on the trading floor increased during this period with daily average turnover doubling, with most investors looking positively at the equity market given the sentiment that was prevalent. Also low interest rates saw the shift of investor funds from interest bearing investments to higher risk equity investments. Activity levels at the Bourse picked up to the extent where daily average turnover reached Rs 1 billion on most days, with institutional investors taking up very significant positions in the market. A spate of new initial public offers attracted billion of rupees with multiple oversubscriptions.

What is quite evident is that if a listed institutional investor is to effectively conduct its business in this type of market, it needs to have an adequate capital base to diversify its portfolio to all these growth opportunities. In the case of Renuka Holdings PLC, although the existing fund base is limited with the fund base of our subsidiary Coco Lanka PLC we believe we could become significant players in the market.

Renuka Holdings continued investing in listed shares and as at 31st March its portfolio had a market value of Rs 363 million. At company level a net profit for the year of Rs 165 million was recorded being gains from portfolio management and dividends.

Group Performance

In line with the group's direction, Agri business will remain a key focus area for your organization. Our subsidiaries engaged in Coconut products, Ethnic Foods, Organic Foods & Beverages and Tea have successfully increased their global reach while seeking opportunities for further value addition within these areas. Your organization has also embarked on a Enterprise Resource Planning system coupled with lean management techniques to eliminate inefficiency in the value chain. These initiatives will ensure your group retains its competitive position and improves profitability in the future.

This year saw many memorable achievements, including the first full year of operation since the acquisition of subsidiaries in March 2009 transforming Renuka Holdings from the investment trust to a diversified Holding Company and the successful Initial Public Offering of our sub-subsidiary Renuka Agri Foods PLC.

The Group has an utilized land bank of 1.6 acres of freehold property in Central Colombo and 23 acres of Tourism related real estate in the Eastern & Northern Provinces. The Group has been exploring various possibilities for the development of these lands, carried out feasibilities, and had discussions with potential partners and projects are to materialize in the coming financial years. We have also completed planting our Forestry site with Teak & Mahogany and in the process of purchasing more suitable lands to expand our activities.

In the pursuit of our objectives to deliver maximum return to the shareholders and other stakeholders, I am extremely happy to inform you that the group achieved a Rs 387 million profit before tax, and group profit after tax was Rs 373 million of which attributable to shareholders was Rs 241 million. Superior efforts by the Renuka team enabled the company to achieve an all time high turnover of Rs 1.48 billion. The total equity of the group grew from Rs 1.4 billion to Rs 2.3 billion.

Acknowledgement

On behalf of the board I thank the entire staff for their hard work, commitment and loyalty to drive your company's performance despite challenging marketing conditions. I would also take this opportunity to severely thank our important stakeholders and business partners who significantly contributed to your organization achievement in 2009/2010: Our valued distributors, trusted suppliers, communication partners, bankers and auditors

Finally the board and I thank you, our shareholders for your continued confidence and trust placed on us, I am confident your company will continue to deliver growth and superior performance in the coming years as well.

Sgd.
Mrs. I.R.Rajiyah
Chairperson

Date: 13th August 2010

CORPORATE GOVERNANCE

The Renuka Board of Directors represents the shareholders' interest in the company's successful operation. The active responsibility includes optimizing long-term financial returns and delivering value to customers, employees, communities and other key stakeholders. The Board is accountable for the company executing its responsibilities in a legal and ethical manner in any business environment. Corporate governance at Renuka means promoting a culture of ethical behavior and practices.

The Board of Directors

The Renuka Board is comprised of Seven Directors including four independent Directors. All the Directors are equipped with a broad range of skills and experience.

The Board of Directors is accountable to the shareholders for the governance of the company. All directors are accountable for the proper stewardship of the company's affairs and share a responsibility in ensuring the highest standards of disclosure and reporting, ethics and integrity across the group.

The Board's Key Responsibility includes:

- Providing direction and guidance to the company in the formulation of its strategies and in the pursuance of its operational and financial goals.
- Monitoring systems of governance and compliance
- Overseeing systems of internal control and risk management.
- Approving major acquisitions, disposals and capital expenditure
- Approving annual budgets and strategic plans.

Overview of the Governance Structure

The Board has delegated certain responsibilities to Senior Managers including the day to day operation and administration of the company. The Executive Directors are fully accountable to the board for the day to day running of the company.

The performance of the company is monitored by way of monthly management meetings. These meetings provide an opportunity to look at performance deviations and take remedial actions.

The Board has also delegated some of its functions to two Board Committees while retaining final decision rights pertaining to matters under the purview of these committees. The Audit and Remuneration Committees are chaired by independent Directors appointed by the Board. The roles and responsibilities of these committees are highlighted in the Committees' reports on page 10.

Shareholder Relationship

The shareholders' role as explained in the code of best practices is to appoint directors and auditors, and to satisfy themselves that an appropriate governance structure is in place. The company communicates the quarterly financial results to shareholders within the period stipulated by the Colombo Stock Exchange.

Shareholders have the opportunity to ask questions from the board at scheduled Annual General Meetings (AGM's). The content of the Annual Report too enables existing and prospective stakeholders to make better informed decisions in their dealings with the company.

Compliance

The company's compliance with its statutory obligations is regularly checked by senior management to ensure that the company has met all statutory obligations. In addition to this, the board is also briefed on a quarterly basis by the Audit Committee which also reviews whether the Company has met all of its statutory obligations.

AUDIT AND REMUNERATION COMMITTEE REPORTS

Audit Committee Report

In accordance with the standards set by the CSE, the Audit Committee, chaired by and consisting of independent non executive Directors, helps the Board oversee the Company's accounting, control and reporting practices.

The Audit Committee has oversight responsibilities relating to the quality and integrity of the Company's financial statements and financial reporting process. This includes the presentation with adequate disclosures of the financial statements of the company in accordance with the Sri Lanka Accounting Standards. In addition, the Committee reviews the company's accounting policy and procedures, internal audit policy, internal controls and its risk management procedures.

The Committee met four times during the year. Head of Finance was present at meetings on invitation. Other officials of the Company are invited to attend on a need basis.

Having reviewed the scope and effectiveness of the external audits, and the independence and objectivity of the external auditors, the audit committee has recommended the re-appointment of Messrs Kreston MN&S and Co Chartered Accountants as the external auditors to the Board of Directors for the ensuing year, subject to the approval of the shareholders at the Annual General Meeting.

Sgd.

P.C.K.Abeykoon

Chairman Audit Committee

13th August 2010

Remuneration Committee Report

The Remuneration committee consists of two independent Non Executive Directors. The Committee assists the Board to ensure that the Company establishes remuneration strategies and policies aligned with the best practices that:

- Enable the company to attract, retain and motivate high caliber executives who will create sustainable value for the varied stakeholders and enhance the performance of the Company.
- Are consistent with the needs of the Company and comply with all relevant legislation and regulations.
- Motivate management to pursue the long term growth and success of the Company within an appropriate control framework; and
- Demonstrate a clear relationship between executive performance and remuneration.

The remuneration committee met two times during the year under review.

Sgd.

Mr C.J.De.S.Amaratunge

Chairman Remuneration Committee

13th August 2010

RISK MANAGEMENT

The Board has overall responsibility for risk management and internal control within the context of achieving the Group's objectives.

Risk management is fundamental to our business model and an essential component of its operations. It is of paramount importance in safeguarding the interest of all stakeholders, and hence Risk management is embedded in the everyday management of the business. The Group reviews weaknesses at the monthly reviews, which help contain the key risks faced by the Group including their impact and likelihood as well as the controls and procedures implemented to mitigate these risks. The content of the reviews are determined through regular discussions with senior management and reviewed by the Executive Committee of the Company. A balanced approach allows the degree of controllability to be taken into account when considering the effectiveness of mitigation recognizing that some necessary activities carry inherent risk which may be outside the Group's control. The risk management process ensures that opportunities to improve the business are built into our future plans.

Internal controls

The Company maintains a system of internal controls designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls, and compliance with applicable laws and regulations.

Business Risk

The business risk management is a dynamic process due to the constant change and complexity in the operating environment of the Group. The different business operations of the Group and their performance are subject to a variety of risk factors which are constantly monitored and evaluated by the management in order to respond effectively. The manufacturing facilities are maintained according to best international food manufacturing standards.

Competitive environment

Our businesses are highly competitive. Failure to compete with competitors on areas including price, product range, quality and service would have an adverse effect on the Group's financial results. Hence we aim to have a broad appeal in price, range and format in a way that allows us to compete effectively in different markets.

People capabilities

Our greatest asset is our employees. It is critical to our success to attract, retain, develop and motivate the best people with the right capabilities at all levels of operations. We review our people policies regularly and are committed to investing in development and incentives for our people. There are clear processes for understanding and responding to employees' needs through HR initiatives, and communication of business developments.

Health and safety risks

The safety of our staff and customer is of paramount importance to us. We operate stringent health and safety processes in line with best practice in our manufacturing facilities, stores and offices.

Legal and regulatory environment

The Company ensures that all legal and regulatory requirements and guidelines in respect to all operations are complied with, and awareness programs are conducted for all relevant staff with regard to current and new legislation, labour regulations, industry standards, taxation etc.

IT systems and infrastructure

The business is dependent on efficient information technology (IT) systems. We recognize the essential role that IT plays across our operations in allowing us to trade efficiently through the implementation of effective IT solutions. We have extensive controls in place to maintain the integrity and efficiency of our IT infrastructure and to ensure consistency of delivery, and all relevant staff are effectively engaged to mitigate IT related risks through effective policy and procedures as well as increased awareness.

Interest rate and Exchange rate risk

It is the Company's objective to limit its exposure to changes in interest and exchange rates while retaining the opportunity to benefit. Accordingly the Group manages interest and exchange rate fluctuations with an appropriate mix of fixed and variable rate debts, forward contracts through a centralized treasury management function.

SUSTAINABILITY REPORT

Stakeholder Engagement

Partnerships are fundamental to the way in which we run our business. They help to build trust among our key stakeholders and to reach a better understanding on a variety of important issues. Partnerships also pave the way for more successful solutions to problems, concerns and challenges.

We have identified groups that have a 'stake' in our business, our partners engage and communicate with these groups in order to provide them with information whilst also hearing their views and responding to any key concerns they may have.

We have initially defined our key stakeholders as being:

- Our customers – In meeting their needs, everything we do must be of world class quality. We must constantly strive to reduce our costs in order to maintain reasonable prices. We must endeavor to innovate in order to help our customers provide better value to the consumers of their products.
- Our employees – We must create a culture that empowers our employees to be dynamic, creative and engage in entrepreneurial excellence aligned with individual career goals. There must be equal opportunity for employment, development and advancement for those qualified.
- Our business partners – We will permeate best practices and global standards. We will build partnership with all our business partners based on respect and trust.
- Our environment – We will ensure that our manufacturing and production process will not knowingly harm people and will minimize the negative impact our business will have on human life. We will maintain in good order the property we are privileged to use, protecting the environment and our natural resources.
- Our community – We will support good deeds and charities and bear our fair share of taxes. We will encourage civic improvements and better health and education.
- Our shareholders – We must make a sound profit. We must experiment with new ideas. New equipment must be purchased, new facilities provided and new products launched. When we operate according to these principles the shareholders should realize a fair return.

Renuka considers engagement to be an increasingly important component of its corporate citizenship strategy. Our engagement efforts help Renuka identify those issues that are most material to our business operations and shape our approach to addressing a range of areas relating to the financial, social, and environmental performance of the organization.

We are continually working to enhance the quality of our community engagement and external relations, with the goal of fostering understanding, trust, and co-operation on key issues. To be effective, our efforts must be built on honest, transparent, accurate, and timely information. Over the past year, our engagement driven activities covered a wide range of topics, including environmental, governance, and social issues.

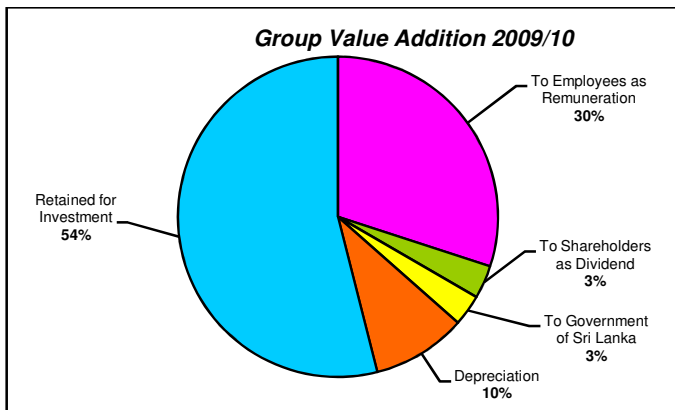
The following table highlights how we engage our stake holders and what we learnt.

Stakeholder	How We Engage	Key Issues & Activity
Customers	Weekly, Monthly and Annual Meetings Customer Visits Customer Service Questionnaire	Product quality, service standards, price, product innovation.
Employees	Worker's Representative Meetings Open Door Policy Detailed Semi Annual Performance Reviews	Employee development, health & safety, and organizational ethics
Investor/Shareholders	Annual General Meeting Distribute quarterly financial reports that provide timely feedback on our financial performance	Investor returns, strong governance and risk management.
Supplier/contractors and Business Partners	Regular meetings with Suppliers and Business Partners	Fair business practices and collaboration on new developments.
Environment & Facilities	Ongoing meetings to design environmentally friendly systems, processes and products Environmental Audit as part of ISO 22000 implementation	Waste, use of materials obtained from sustainable sources and resource consumption, Tree planting projects
Community	Free medical clinics on our plantations for employees and their families Out grower programmes for farmers from surrounding areas.	Health & safety, economic welfare.

Stakeholders' engagement provides opportunities to further align business practices with the needs and expectations of those that help drive long-term customer and shareholder value.

Economic Performance

The generation of wealth and its distribution among the stakeholders of the group is depicted in the economic value statement below.



Global Presence - The Renuka Group exports to over 61 countries around the World.

REPORT OF THE DIRECTORS ON THE AFFAIRS OF THE COMPANY

General

The Directors of Renuka Holdings PLC have the pleasure in submitting their Thirtieth Annual Report together with the Audited Statement of Accounts for the year ended 31st March 2010.

These accounts were approved by the Board of Directors on 13th August 2010.

The details set out herein provide the pertinent information required by the Companies Act No 7 of 2007 the Colombo Stock Exchange Listing rules.

Review of the Year

The Chairperson's statement and review of the business set out the state of affairs & performance of the company during the year and also incorporates events subsequent to the Balance Sheet.

Principal Activities

The company carries on the activity of investing in subsidiary companies, shares listed on the Colombo Stock Exchange and debt instruments.

Ultimate Parent

The Ultimate holding company is Renuka Group Limited.

Dividend

The Board of Directors have recommended a payment of a first & final dividend of 0.80 cents per share payable for 2009/2010 (2008/2009 – Rs 0.4 per share)

The total value of 0.80 cents per share distributed to shareholders comprises partly of tax free dividends received by the company and which will be free of income tax in the hands of the shareholders.

The Directors have confirmed that the company satisfies the solvency test requirement under section 56 of the Companies Act 7 of 2007 for the dividend proposed. A solvency certificate has been sought from the Auditors of the Company.

Directors

The Directors of the company are set out in the corporate information.

Mr. P.C.K.Abeykoon retires in terms of Article No.30 of the Articles of Association and is not seeking re-election.

In accordance with Section 210 of Companies Act No.7 of 2007 Mr.C.J.De.S.Amaratunge retires and offers himself for re-election with the unanimous support of the Board.

Directors Shareholding

	2009/2010	
	Voting	Non voting
Dr & Mrs. S.R.Rajiyah (Jt)	583,330	–
Mr S.V.Rajiyah	1,576,155	211,660
Mr C.J.De.S.Amaratunga	11,440	83,330

Director's Interest in Contracts

The Director's have made a disclosure provided for in section 192(2) of the Companies Act 7 of 2007 note No.31 to the financial Statements dealing with the related party disclosure including details of their interest

Statutory Payments

The Directors are satisfied that all statutory payments in relation to government have been made up to date.

Audit Committee

The following non –Executive Directors of the Board are members of the Audit Committee Mr.P.C.K.Abeyakoon, Mr.C.J.De.S.Amaratunge & Mr.L.M.Abeywickrama. Details are given on page No.11.

Remuneration Committee

The following non Executive Directors of the Board are members of the Remuneration Committee Mr. L.M.Abeywickrama and Mr C.J.De.S.Amaratunge. Details are given in page No.11.

Corporate Governance

Systems & procedures are in place as good corporate governance is an important component of the corporate culture. Details are given on page No.9.

Revenue

The revenue of the group was Rs1,476,345,403

Market value of investments

The details are shown in page No.48 and No.49.

Major holdings

The twenty major shareholders as at 31st March 2010 are given on page No.61.

Stock market information

Information relating to share trading are given on page No.59 and 60.

Auditors

Messrs Kreston M.N.S. & Co Chartered Accountants have signified their willingness to continue in office are recommended for re-appointment.

Notice of Meeting

The notice of meeting of the 30th Annual General Meeting is given on 62.

By the Order of the Board

Sgd.

M.Sakthivel

Company Secretary

13th August 2010

Sgd.

Dr S.R.Rajiyah

Director

Sgd.

Mr. C.J.De S. Amaratunge

Director

STATEMENT OF DIRECTORS RESPONSIBILITIES

The Company's Act No.7 of 2007 places the responsibility on the Directors to prepare financial statements for each year comprising a balance sheet, and statements of income, cash flows and changes in equity along with the accounting policies and notes thereto, which give a true and fair view of the state of affairs of the Company and the Group at the Balance Sheet date and the results for that financial year. The Act also places the responsibility on the Directors to maintain adequate accounting records to be able to disclose with reasonable accuracy, the financial position of the Company and the Group and for ensuring that the financial statements are prepared and presented in accordance with the Sri Lanka Accounting Standards and provide the information required by the Companies Act.

M/s Kreston MNS & Co audits our accounts. Their responsibilities as the auditors of these accounts differ from that of the Directors and are set out in the Auditors Report (Page 19)

Considering the present financial position of the Group and the forecasts for the foreseeable future, the Directors have adopted the going concern basis for the preparation of these financial statements. The Directors confirm that these financial statements have been prepared in accordance with the companies Act No.7 of 2007 and the Sri Lanka Accounting Standards, which have been consistently applied and supported, by reasonable and prudent judgments and estimates. The Directors are responsible for the proper management of the resources of the Company. The internal control system has been designed and implemented to obtain reasonable but not absolute assurance that the Company is protected from undue risks, frauds and other irregularities. The Directors are satisfied that the control procedures operated effectively during the year.

The Directors confirm that all statutory payments have been made up to date.

By order of the Board

Sgd.

M. Sakthivel
Company Secretary

Date 13th August 2010.

Kreston MNS & Co

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
RENUKA HOLDINGS PLC

Report on the Financial Statements

We have audited the accompanying Financial Statements of RENUKA HOLDINGS PLC which comprise the consolidated Balance Sheet of the company and its subsidiaries as at 31st March 2010, and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended, and a Summary of Significant Accounting Policies and other explanatory notes, exhibited on pages 24 to 58.

Management's Responsibility for the Financial Statements

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

Scope of Audit and Basis of Opinion

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

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall Financial Statement presentation.

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


Opinion

In our opinion, so far as appears from our examination, the Company maintained proper accounting records for the year ended 31st March 2010 and the Financial Statements give a true and fair view of the state of affairs of the Company as at 31st March 2010, and its Profit and Cash Flows for the year then ended in accordance with Sri Lanka Accounting Standards.

In our opinion, the Consolidated Financial Statements give a true and fair view of the state of affairs as at 31st March 2010 and the Profit and Cash Flows for the year then ended, in accordance with Sri Lanka Accounting Standards, of the Company and its subsidiaries dealt with thereby, so far as concern the shareholders of the Company.

Report on Other Legal and Regulatory Requirements

In our opinion, these Financial Statements also comply with the requirements of Section 151 (2) and Section 153 (7) of the Companies Act No. 07 of 2007.



KRESTON MNS & CO
CHARTERED ACCOUNTANTS
COLOMBO.
13TH AUGUST 2010

Partners:

Ms Y Shirani de Silva, FCA, FCMA
Ms Sivaselvi Balachandran, FCA, FCMA
S Rajanathan, FCA, FCMA (UK)
N K Atukorala, FCA, ACMA
Ms H D S C A Tillekeratne, FCA, ACMA
K I Skandadasan, B Sc (Madras), FCA, ACMA
R L R Balasingham, FCA, ACMA

Kreston MNS & Co

City Office at 18-1/2A, First Floor, State Bank of India Building, Colombo 01. T +94 (0) 11 2327444
Branches in Anuradhapura, Badulla, Batticaloa, Hatton, Kalmunai, Kandy, Kurunegala, Matara, Negombo, Nuwara Eliya, Ratnapura, Trincomalee
Correspondent firm within Grant Thornton International Ltd (Grant Thornton International).
Grant Thornton International and the member and correspondent firms are not a worldwide partnership.

Chartered Accountants
P.O. Box 210
50/2, Sir James Peiris Mawatha,
Colombo 02, Sri Lanka.
T +94 (0) 11 2323571
F +94 (0) 11 2433388
E audit@kreston.lk
www: webasia.com/kreston

RENUKA HOLDINGS PLC

INCOME STATEMENT

FOR THE YEAR ENDED

	Note	Consolidated		Company	
		31.03.2010 Rs.	31.03.2009 Rs. (Restated)	31.03.2010 Rs.	31.03.2009 Rs. (Restated)
Revenue	3	1,476,345,403	136,005,795	18,391,252	5,061,971
Cost of Sales		(1,026,431,563)	(96,384,915)	-	-
		<u>449,913,840</u>	<u>39,620,880</u>	<u>18,391,252</u>	<u>5,061,971</u>
Gain/(Loss) from Disposal of Non-Current Investments	4	(4,839,350)	-	(1,000,000)	-
Realized Gain on Sale of Investments		72,298,941	4,374,492	72,298,941	4,374,492
Mark to Market Value Adjustments		89,383,168	(29,320,763)	77,961,572	(29,320,763)
	19	<u>161,682,109</u>	<u>(24,946,271)</u>	<u>150,260,513</u>	<u>(24,946,271)</u>
Other Income	5	47,209,939	5,528,764	676,692	3,214,356
Distribution Expenses		(83,925,518)	(4,080,967)	-	-
Administrative Expenses		(152,523,184)	(13,924,442)	(2,388,019)	(429,007)
Other Expenses		(21,493,796)	(969,632)	(694,993)	(224,454)
Finance Cost	6	(14,714,026)	(2,775,818)	-	-
Negative Goodwill on Acquisition of Subsidiaries	7	5,810,804	448,426,135	-	-
Profit/(Loss) before Taxation	8	<u>387,120,818</u>	<u>446,878,649</u>	<u>165,245,445</u>	<u>(17,323,405)</u>
Taxation	9	(14,049,551)	(3,691,155)	(240,396)	(1,143,000)
Profit/(Loss) for the year		<u><u>373,071,267</u></u>	<u><u>443,187,494</u></u>	<u><u>165,005,049</u></u>	<u><u>(18,466,405)</u></u>
Attributable to :					
Equity Holders of the Company		240,748,941	440,222,838	165,005,049	(18,466,405)
Minority Interest		132,322,326	2,964,656	-	-
		<u>373,071,267</u>	<u>443,187,494</u>	<u>165,005,049</u>	<u>(18,466,405)</u>
Earnings Per Share	10	5.04	9.54	3.45	(0.40)
Dividend per Share	11	0.40	0.16	0.40	0.16

The Accounting Policies and Notes on pages 24 to 58 form an integral part of these Financial Statements.

RENUKA HOLDINGS PLC

BALANCE SHEET AS AT

	Note	Consolidated		Company	
		31.03.2010	31.03.2009	31.03.2010	31.03.2009
		Rs.	Rs.	Rs.	Rs.
			(Restated)		(Restated)
ASSETS					
Non-Current Assets					
Property, Plant & Equipment	12	721,647,892	636,907,577	-	-
Intangible Assets	13	-	131,932	-	-
Investment Property	14	320,279,000	307,000,000	-	-
Value of Immovable Assets on Lease	15	65,599,996	66,000,000	-	-
Immature Plantations	16	5,011,990	3,145,971	-	-
Investment in Subsidiaries	17 (a)	-	-	102,000,000	123,000,000
Other Investments	17 (c)	224,463,942	224,463,922	-	-
		<u>1,337,002,820</u>	<u>1,237,649,402</u>	<u>102,000,000</u>	<u>123,000,000</u>
Current Assets					
Inventories	18	242,796,904	191,650,707	-	-
Short Term Investments in Shares	19	363,380,970	65,343,493	314,980,970	65,343,493
Trade and Other Receivables	20	276,915,732	168,971,763	41,629,759	132,331
Income Tax Refund Due	30	-	7,489,820	82,171	-
Amounts due from Related Companies	21	22,875	4,051,020	129,820,000	-
Short Term Investments in Deposits	22	466,378,757	113,385,675	357,058	33,746,980
Cash at Bank and Cash in Hand	23	61,715,388	38,014,753	-	-
		<u>1,411,210,626</u>	<u>588,907,231</u>	<u>486,869,958</u>	<u>99,222,804</u>
Total Assets		<u>2,748,213,446</u>	<u>1,826,556,633</u>	<u>588,869,958</u>	<u>222,222,804</u>
EQUITY AND LIABILITIES					
Capital and Reserves					
Stated Capital	24	125,000,000	75,000,000	125,000,000	75,000,000
Retained Earnings		1,031,170,149	805,421,208	224,476,148	74,471,099
Total Equity Attributable to the Equity holders of the Company		<u>1,156,170,149</u>	<u>880,421,208</u>	<u>349,476,148</u>	<u>149,471,099</u>
Minority Interest		1,099,578,108	550,878,939	-	-
Total Equity		<u>2,255,748,257</u>	<u>1,431,300,147</u>	<u>349,476,148</u>	<u>149,471,099</u>
Non Current Liabilities					
Deferred Tax Liability	25	26,916,169	23,968,481	-	-
Interest Bearing Borrowings and Lease Instalments due after one year	26	90,374,451	129,790,716	-	-
Retirement Benefit Obligation	27	12,500,395	9,928,511	-	-
Renuka Charitable Foundation		-	1,125,275	-	-
		<u>129,791,015</u>	<u>164,812,983</u>	<u>-</u>	<u>-</u>
Current Liabilities					
Trade and Other Payables	28	123,153,346	113,464,477	295,953	141,188
Interest Bearing Borrowings and Lease Instalments due within one year	26	13,319,445	53,552,596	-	-
Amount due to Related Companies	29	212,311,010	31,282,348	239,000,000	63,300,000
Income Tax Payable	30	377,715	-	-	719,571
Bank Overdraft	23	13,512,658	32,144,082	97,857	8,590,946
		<u>362,674,174</u>	<u>230,443,503</u>	<u>239,393,810</u>	<u>72,751,705</u>
Total Equity and Liabilities		<u>2,748,213,446</u>	<u>1,826,556,633</u>	<u>588,869,958</u>	<u>222,222,804</u>

The Accounting Policies and Notes on pages 24 to 58 form an integral part of these Financial Statements.

I certify that the above Financial Statements comply with the requirements of the Companies Act No. 07 of 2007.

Sgd.
A.F.Feroze Noon
Head of Finance

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

Approved and Signed on behalf of the Board of Directors.

Directors : Sgd.
Dr.S.R.Rajiyah
Director

Sgd.
Mr.C.J.De.S.Amarathunga
Director

13th August 2010.

RENUKA HOLDINGS PLC

CASH FLOW STATEMENT FOR THE YEAR ENDED

	Note	Consolidated		Company	
		31.03.2010	31.03.2009	31.03.2010	31.03.2009
		Rs.	Rs.	Rs.	Rs.
			(Restated)		(Restated)
CASH FLOW FROM OPERATING ACTIVITIES					
Profit / (Loss) before Taxation		387,120,818	446,878,649	165,245,445	(17,323,405)
Adjustments :					
(Gain) / Loss from Sale of non current investments	4	4,839,350	-	1,000,000	-
Interest Income	5	(15,507,414)	(4,069,314)	(676,692)	(3,214,356)
Realized gain on Sale of Investment		(72,298,941)	(4,374,492)	(72,298,941)	(4,374,492)
Mark to Market Value Adjustment		(89,383,168)	29,320,763	(77,961,572)	29,320,763
Provision for Retiring Gratuity	27	3,274,316	31,326	-	-
Depreciation	12	39,697,782	3,017,982	-	-
Interest Paid	6	13,964,901	2,696,325	-	-
Lease Interest	6	749,125	79,493	-	-
Negative Goodwill on Acquisition of Subsidiaries	7	(5,810,804)	(448,426,135)	-	-
Amortisation of Leasehold Assets	8	2,850,004	229,167	-	-
Provision for Bad Debts		-	50,000	-	-
Immature Plantation written off	16	325,484	-	-	-
Deemed Disposal Profit		(11,154,607)	-	-	-
Operating Profit / (Loss) before changes in Working Capital		258,666,846	25,433,764	15,308,240	4,408,510
(Increase) / Decrease in :					
Inventories	18	(50,989,773)	(191,650,707)	(41,497,428)	-
Trade & Other Receivables	19	(108,295,674)	204,662,658	-	14,934,250
Amounts due from Related Companies	21	4,028,145	(4,051,020)	(129,820,000)	-
Net Proceeds Receivable on Sale of Shares		-	9,785,292	-	9,785,292
Increase / (Decrease) in :					
Trade & Other Payables	28	7,112,029	110,291,194	154,765	(530,096)
Amount due to Related Companies	29	181,028,662	30,948,135	175,700,000	60,600,000
Investment in quoted Shares	10	(323,407,696)	(10,849,455)	(286,429,292)	(10,849,455)
Sales Proceeds from Sale of Long Term Investments	4	-	-	20,000,000	-
Sales Proceeds from Sale of quoted Shares and Debentures	19	187,052,328	27,673,902	187,052,328	27,673,902
Cash Generated from Operations		155,194,867	202,243,763	(59,531,387)	106,022,403
Gratuity Paid	27	(702,432)	-	-	-
Income Tax / Withholding Tax Paid	30	(2,547,603)	(811,165)	(1,042,138)	(664,972)
Tax effect on Group Dividend	9	(832,150)	-	-	-
Interest Income	4	15,507,414	4,069,314	676,692	3,214,356
Interest Paid	5	(13,964,901)	(2,696,325)	-	-
Net Cash from / (used in) Operating Activities		152,655,195	202,805,587	(59,896,833)	108,571,787
CASH FLOW FROM INVESTING ACTIVITIES					
Additions to Investment Property	14	(13,279,000)	-	-	-
Purchase of Shares in Subsidiary	17(a)	(110,481,591)	(88,000,000)	-	(88,000,000)
Purchase of Property Plant & Equipment		(13,684,776)	-	-	-
Additions to Immature Plantation	14	(2,191,503)	-	-	-
Net Cash from/ (used in) Investing Activities		(139,636,870)	(88,000,000)	-	(88,000,000)
CASH FLOW FROM FINANCING ACTIVITIES					
Shares Issued	24	50,000,000	-	50,000,000	-
Shares Issued to Minority		441,965,930	-	-	-
Dividend Paid	11	(15,000,000)	(6,000,000)	(15,000,000)	(6,000,000)
Dividend Paid to Minority		(13,884,422)	-	-	-
Leasing Instalments Paid	26	(4,222,671)	(356,884)	-	-
Net Long Term & Short Term Borrowings		(75,426,745)	-	-	-
Fund Received / (Paid)		(1,125,275)	-	-	-
Net Cash from / (used in) Financing Activities		382,306,817	(6,356,884)	35,000,000	(6,000,000)
Net Increase / (Decrease) in Cash and Cash Equivalents		395,325,142	108,448,703	(24,896,833)	14,571,787
Cash and Cash Equivalents at the Beginning of the year		119,256,345	10,807,643	25,156,034	10,584,247
Cash and Cash Equivalents at the End of the year		514,581,487	119,256,345	259,201	25,156,034
ANALYSIS OF CASH AND CASH EQUIVALENTS					
Short Term Investments in Deposits	22	466,378,757	113,385,675	357,058	33,746,980
Cash at Bank and Cash in Hand	23	48,202,731	5,870,670	(97,857)	(8,590,946)
		514,581,487	119,256,345	259,201	25,156,034

The Accounting Policies and Notes on pages 24 to 58 form an integral part of these Financial Statements.

RENUKA HOLDINGS PLC
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. CORPORATE INFORMATION

1.1 General

Renuka Holdings PLC is a Public Quoted Limited Liability Company, incorporated in Sri Lanka on 08.02.1979 and re-registered under the Companies Act No. 07 of 2007 (PQ 227) (PVS 5524/PBS) and domiciled in Sri Lanka. The shares were listed in the Colombo stock exchange on 10th March 2008.

The registered office of the Company is located at No. 69, Sri Jinaratane Road, Colombo 02.

The Financial Statements are authorised for issue by the Directors on 13th August 2010.

1.2 Principal Activities and Nature of Operations

During the year, the principal activities of the Company and the subsidiaries were as follows.

Company	Activities
Renuka Holding PLC	Investment in subsidiary companies, shares listed on the Colombo Stock Exchange and debt securities.
Renuka Agro Exports Limited	Engaged in sourcing, manufacturing & exporting ethnic food products
Coco Lanka PLC	Investment Trust and is listed on the Colombo Stock Exchange
Renuka Agri Foods PLC	Manufacture & markets a range of coconut products
Renuka Organics (Pvt) Limited	Organic Certification License holder and exports organic products
Kandy Plantations Limited	Engaged in organic certified cultivation of agriculture
Renuka Witsenburg Organics (Pvt) Ltd	Manufacture and Export of Organics Fruit, Spice, Rice and Cashew products.
Renuka Teas Ceylon (Pvt) Limited	Manufacture and exports of tea products.
Campbell Teas (Pvt) Limited	Manufacture and sale of tea products
Renuka Developments Limited	Investment Property

RENUKA HOLDINGS PLC
NOTES TO THE FINANCIAL STATEMENTS

Renuka Enterprises (Pvt) Limited	Provision of management services to group companies, act as a promoter to foreign principal in development projects in Sri Lanka and investment.
Renuka Investment (Pvt) Limited	Investment
Renuka Resorts Limited	Investment in Tourism Property
Renuka Travel & Tours (Pvt) Limited	Provision of logistics services
Ceylon Forestry (Pvt) Ltd	Planting and managing forestry
Ceylon Botanicals (Pvt) Limited	Investment in Agricultural Property
Renuka Villas (Pvt) Ltd	Investment in Tourism Property
Renuka Trading (Pvt) Ltd	Investment Property

1.3 Parent Enterprise and Ultimate Parent Enterprise

The Company's parent undertaking and ultimate Parent Company is Renuka Group Limited which holds 69.7% of the shares of the Company.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 General Policies

2.1.1 The Financial Statements of the Company and the Group, comprising the Balance Sheet, Income Statement, Statement of Changes in Equity, Cash Flow Statement, Accounting Policies and Notes to the Financial Statements are prepared on the basis of the historical cost conventions, other than Investment Property and Land & Buildings which are stated at fair value and in conformity with Accounting Standards laid down by the Institute of Chartered Accountants of Sri Lanka. These standards have been applied consistently with that of the previous year unless otherwise stated. No adjustments are made for inflationary factors affecting these Financial Statements.

The previous year's figures and phrases have been re-arranged wherever necessary to conform to the current year's presentation.

2.1.2 Change in Accounting Policy - Current Investments

During the year, the Group changed its accounting policy for valuation of current investments (quoted) from cost or market value whichever is lower to the market value method.

The management is of the view that the new policy provides the realistic position of the Group and presentation of the Financial Statements.

The changes arising to the Financial Statements as a result of the change in the policy is summarised below :-

RENUKA HOLDINGS PLC
NOTES TO THE FINANCIAL STATEMENTS

a) Group

	2009/2010			2008/2009		
	As per new Accounting Policy (Rs.)	As per previous Accounting Policy (Rs.)	Impact of Change - Increase/ (Decrease) (Rs.)	As per new Accounting Policy (Rs.)	As per previous Accounting Policy (Rs.)	Impact of Change - Increase/ (Decrease) (Rs.)
Income Statement						
Revenue	1,476,345,403	1,562,130,055	(85,784,652)	136,005,795	140,815,365	(4,809,570)
Cost of Sales	(1,026,431,563)	(1,026,431,563)	-	(96,384,915)	(96,384,915)	-
Realized gain on sale of investment	72,298,941		72,298,941	4,374,492	-	4,374,492
Mark to mark Value adjustment	89,383,168	11,421,596	77,961,572	(29,320,763)	-	(29,320,763)
Gain / (Loss) from Disposal of Non Current Investment	(4,839,350)	(5,839,350)	(1,000,000)	-	-	-
Other Income	47,209,939	47,209,939	-	5,528,764	5,528,764	-
Administrative Expenses	(152,523,184)	(152,523,184)	-	(13,924,442)	(13,924,442)	-
Distribution Expenses	(83,925,518)	(83,925,518)	-	(4,080,967)	(4,080,967)	-
Other Expenses	(21,493,796)	(21,493,796)	-	(969,632)	(969,632)	-
Finance Cost	(14,714,026)	(14,714,026)	-	(2,775,818)	(2,775,818)	-
Negative goodwill on acquisition of subsidiaries	5,810,804	5,810,804	-	448,426,135	448,426,135	-
Profit before Taxation	387,120,818	323,644,957	63,475,861	446,878,649	476,634,490	(29,755,841)
Taxation	(14,049,551)	(14,049,551)	-	(3,691,155)	(3,691,155)	-
Profit for the year	373,071,267	309,595,406	63,475,861	443,187,494	472,943,335	(29,755,841)
Earnings per Share	5.04	3.71	-	9.54	10.18	-
Short Term Investment in Shares						
Total Equity	2,255,748,257	2,181,609,074	74,139,183	1,431,300,147	1,420,636,826	10,663,321

RENUKA HOLDINGS PLC
NOTES TO THE FINANCIAL STATEMENTS

2.1.2 Change in Accounting Policy - Current Investments

(b) Company

	2009/2010			2008/2009		
	As per new Accounting Policy (Rs.)	As per previous Accounting Policy (Rs.)	Impact of Change - Increase/ (Decrease) (Rs.)	As per new Accounting Policy (Rs.)	As per previous Accounting Policy (Rs.)	Impact of Change - Increase/ (Decrease) (Rs.)
Income Statement						
Revenue	18,391,252	104,175,904	(85,784,652)	5,061,971	9,871,541	(4,809,570)
Realized Gain on Sale of Investment	72,298,941	-	72,298,941	4,374,492	-	4,374,492
Mark to Market Value adjustment	77,961,572	-	77,961,572	(29,320,763)	-	(29,320,763)
Gain/(Loss) from Disposal of Non Current Investments	(1,000,000)	-	(1,000,000)	-	-	-
Other Income	676,692	676,692	-	3,214,356	3,214,356	-
Administrative Expenses	(2,388,019)	(2,388,019)	-	(429,007)	(429,007)	-
Other Expenses	(694,993)	(694,993)	-	(224,454)	(224,454)	-
Profit/(Loss) before Taxation	165,245,445	101,769,584	63,475,861	(17,323,405)	12,432,436	(29,755,841)
Taxation	(240,396)	(240,396)	-	(1,143,000)	(1,143,000)	-
Profit/(Loss) for the year	165,005,049	101,529,188	63,475,861	(18,466,405)	11,289,436	(29,755,841)
Earnings/(Loss) per Share	3.45	2.12	-	(0.40)	0.24	-
Balance Sheet						
Short Term Investment in Shares	314,980,970	240,841,787	74,139,183	65,343,493	54,680,172	10,663,321
Retained Earnings	224,476,148	150,336,966	74,139,183	74,471,099	63,807,778	10,663,321

RENUKA HOLDINGS PLC NOTES TO THE FINANCIAL STATEMENTS

2.1.3 Basis of Consolidation

All the Companies in the Group are incorporated in Sri Lanka and have a common financial year, which ends on 31st March.

The Consolidated Financial Statements include the results, assets and liabilities of Renuka Holding PLC, and Companies controlled by it. Control arises when the Company has the power directly or indirectly to govern the financial and operating policies of an enterprise so as to obtain benefit from the activities. The Subsidiaries included in the consolidation are disclosed in Note 17 to the Financial Statements. Although the direct shareholdings in some of these Group Companies are below 50% of the equity, the accounts of such Companies are Consolidated in recognition of the effective management control exercised by the Parent Company.

The purchase method of accounting is used to account for the acquisition of subsidiaries 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. The excess of the cost of acquisition over the fair value 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 recognised directly in the Income Statement.

All Inter-Company balances, transactions and unrealized profits are eliminated on consolidation. Where controlled interests have been acquired or sold during the year, their operating results have been included from the date of acquisition or to date of sale.

The interest of outside shareholders in net assets of the subsidiaries and the proportion of the profit or loss after taxation applicable to outside shareholders are stated separately in the Consolidated Balance Sheet and the Consolidated Income Statement under the heading Minority interest.

2.1.4 Foreign Currency Translation

Items included in the Financial Statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("The Functional currency"). The Consolidated Financial Statements are presented in Sri Lankan Rupees, which is the Company's functional and presentation currency.

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions. Gains and losses resulting from settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement. Such balances are translated at year-end exchange rates.

RENUKA HOLDINGS PLC
NOTES TO THE FINANCIAL STATEMENTS

2.1.5 Income Tax

(i) Renuka Holdings PLC

Income Tax has been computed in accordance with the provisions of the Inland Revenue Act No.10 of 2006 and amendments thereto.

Profit on Sale of Shares

According to the section 13 (t) of the Income Tax Act No.10 of 2006, profit earned on sale of shares on which share transaction levy under Section 7 of the Finance Act No.05 of 2005, is paid is exempt from income tax.

Interest Income

Liable to income tax at 35%.

Subsidiary Companies enjoying tax holidays at concessionary rates of tax

(ii) Renuka Agro Exports Limited

The Company is exempted from income tax for a period of five years commencing April 1, 2006 under Section 16 of the Inland Revenue Act No. 10 of 2006.

The Company is liable to income tax on other income at 35%.

(iii) Coco Lanka PLC

Income Tax has been computed in accordance with the provisions of the Inland Revenue Act No.10 of 2006 and amendments there on.

Profit on Sale of Shares

According to the section 13 (t) of the Income Tax Act No.10 of 2006, profit earned on sale of shares on which share transaction levy under Section 7 of the Finance Act No.05 of 2005, is paid is exempt from income tax.

Interest Income

Liable to income tax at 35%.

(iv) Renuka Agri Foods PLC

According to the agreement dated 29.03.2000 entered into with the Board of Investment of Sri Lanka (BOI), profits and income of the Company is exempt from income tax for a period of 12 years from the date of first export. The tax holiday expires in July 2015. After the expiration of said exemption period, the company's profits & Income will be liable for taxation at the rate of 15% for a further period of 12 years.

RENUKA HOLDINGS PLC
NOTES TO THE FINANCIAL STATEMENTS

(v) Renuka Organics (Pvt) Ltd.

According to the Agreement entered into with the Board of Investment of Sri Lanka, the Profits & Income of the Company is exempt for a period of 5 years. This tax holiday expired on 31.03.1999. However, from the year of Assessment 2006/2007, under Section 16 of the Inland Revenue Act No. 10 of 2006, the Company's trading profit is exempt from income tax for a period of five years.

Company's other income is liable to income tax at 35%.

2.1.5 Income Tax (Contd.)

(vi) Kandy Plantations Ltd.

According to the Agreement dated 13.11.2003 entered into with the Board of Investment of Sri Lanka, the Profits & Income of the Company is exempt for a period of 5 years from the year of assessment in which the Enterprises commence to make profit (ie 2003/2004). Accordingly the tax holiday expires on 31.03.2008. Thereafter the Company is liable to income tax at 15%

(b) However the profit from Agriculture of the Company continues to be exempt from income tax for further three years of assessments ending 2010/2011 under section 16 of the Inland Revenue Act No.10 of 2006.

The other income of the Company is liable to income tax at 35%.

(vii) Renuka Witsenburg Organics (Pvt) Ltd

Under Section 16 of the Inland Revenue Act No. 10 of 2006, the Company's trading profit is exempt from income tax for a period of five years of Assessment commencing 2008/2009.

Company's other income is liable to income tax at 35%, the rate applicable to a subsidiary company within a group.

(viii) Renuka Teas Ceylon (Pvt) Ltd.

In accordance with the provisions of Section 17 (4) (c) of the Inland Revenue Act No.10 of 2006, the Company is not liable to income tax arising from export of tea packets/bags. Further, profit arising from export of bulk teas and other income is liable to income tax at 35%. For the current year income tax has been provided at 35% on liable profit only.

(ix) Campbell Teas (Pvt) Ltd.

In accordance with the powers of the Board of Investments of Sri Lanka (BOI) under section 17(2) of BOI Law No.4 of 1978 and in terms of agreement bearing registration number 194 between the BOI and Campbell Teas (Pvt) Ltd, the Company was not liable for income tax for a period of five (5) years up to 31st March 1999.

However, from the Year of Assessment 2006/2007, under Section 16 of the Inland Revenue Act No. 10 of 2006, the Company's profit is exempt from income tax for a period of five years.

Company's other income is liable for income tax at 35%.

RENUKA HOLDINGS PLC
NOTES TO THE FINANCIAL STATEMENTS

(x) Renuka Developments Limited

The company is liable for tax at 35%.

(xi) Renuka Enterprises (Pvt) Ltd

The company is liable for tax at 35%.

(xii) Renuka Investments (Pvt) Ltd

The company is liable for tax at 35%.

(xiii) Renuka Resorts Ltd

The company is liable for tax at 35%.

2.1.5 Income Tax (Contd.)

(xv) Renuka Travel and Tours (Pvt) Ltd

The company is liable for tax at 15%.

(xvi) Ceylon Forestry (Pvt) Ltd

In accordance with the provision of Section 17 of the Board of Investment of Sri Lanka Law No.4 of 1978 the Company will be entitled to the following exemptions/benefits with regard to income tax.

- i) For a period of eight (08) years reckoned from the Year of Assessment as may be determined by the BOI, Sri Lanka. For the above purpose, the year of assessment shall be reckoned from the year in which the Company commences to make profits or any year of assessment not later than two (02) years reckoned from the date of commencement of commercial operations whichever year is earlier, as specified in a certificate issued by the BOI, Sri Lanka.
- ii) After the expiration of the aforesaid tax exemption period, referred to in sub clause (i) above, the profits and income of the Company shall for each year of assessment be charged at the rate of ten per centum (10%) for a period of two (2) years ("concessionary period") immediately succeeding the last date of the tax exemption period during which the profits and income of the Company is exempted from it.
- iii) After the expiration of the aforesaid concessionary period referred to in sub clause (ii) above, the profits and income of the Company shall be charged for any year of assessment at the rate of twenty per centum (20%)

However, other income would be liable to income Tax @ 35% for the period.

(xvi) Ceylon Botanicals (Pvt) Ltd

The company is liable for tax at 35%.

(xvii) Renuka Villas (Pvt) Ltd

The company is liable for tax at 35%.

RENUKA HOLDINGS PLC
NOTES TO THE FINANCIAL STATEMENTS

(xviii) Renuka Trading (Pvt) Ltd

The company is liable for tax at 35%.

2.1.6 Deferred Taxation

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date.

2.1.7 Economic Service Charge (ESC)

As per the provisions of the Economic Service Charge Act No. 13 of 2006 and the Amendment Act No. 17 of 2007, ESC is payable on the liable turnover at specified rates. ESC paid is deductible from the Company's income tax liability and any excess can be carried forward and set off against the income tax payable as per the relevant provisions of the Act.

2.1.8 Social Responsibility Levy (SRL)

SRL is payable at the rate of 1.5% on all taxes and levies chargeable as specified in the first schedule of the Finance Act.

2.1.9 Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred except to the extent the borrowing cost that is directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use. The amount of borrowing cost eligible for capitalisation is determined in accordance with the Sri Lanka Accounting Standard No.20.

2.1.10 Related Party Transactions

Disclosures are 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 or decisions of the other irrespective of whether price is being charged.

2.1.11 Events Occurring after the Balance Sheet Date

All material events occurring after the Balance Sheet date have been considered and where necessary adjustments to or disclosure have been made in the Financial Statements.

RENUKA HOLDINGS PLC
NOTES TO THE FINANCIAL STATEMENTS

2.1.12 Going Concern

The Board of Director has certified that the company had adequate resources to continue its operations in the foreseeable future. Therefore, going concern basis has been adopted in preparing their financial statements.

2.1.13 Use of Estimates & Judgments

The preparation of Financial Statements requires management to make judgments estimates and assumptions that affect the application of accounting policies and the reported amounts of Assets, Liabilities, Income and Expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

2.1.14 Management's Responsibility for the Financial Statements

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

2.1.15 Changes in Accounting Policies

The accounting policies applied by the Company are, unless otherwise stated, consistent with those used in the previous year.

2.1.16 New Accounting Standards issued but not effective as at Balance sheet date

2.1.16.1 Sri Lanka Accounting Standard 44 "Financial Instruments: Presentation" and Sri Lanka Accounting Standard 45 "Financial Instruments: Recognition and Measurement".

The Institute of Chartered Accountants of Sri Lanka has issued the two new standards given below, which become effective for annual periods beginning on or after 1st January 2011. Accordingly these Standards have not been applied in preparing these Financial Statements as they are not effective for the year ended 31st March 2010.

Sri Lanka Accounting Standard 44 "Financial Instruments: Presentation" (SLAS 44)

Sri Lanka Accounting Standard 45 "Financial Instruments: Recognition and Measurement" (SLAS 45)

These Standards require application of fair value measurement techniques for financial instruments.

RENUKA HOLDINGS PLC
NOTES TO THE FINANCIAL STATEMENTS

Two types of adjustments arise from the adoption of these Standards;

- Those concerning recognition and measurement of items in the financial statements; and
- Those concerning presentation and disclosure of items in the financial statements.

Sri Lanka Accounting Standard 45 – “Financial Instruments: Recognition and Measurement” provides the principles for recognizing and measuring financial assets and financial liabilities.

2.1.16.2 Sri Lanka Accounting Standard 39 “Share – based Payment”

The Institute of Chartered Accountants of Sri Lanka has issued Sri Lanka Accounting Standard 39 “Share – based Payment” (SLAS 39), but the revised effective date of the same (previously 1st January 2010) is yet to be confirmed and the Standard is yet to be published in gazette as required by the Sri Lanka Accounting and Auditing Standards Act. Accordingly, this Standard has not been applied in preparing these Financial Statements as it was not effective for the year ended 31st March 2010.

2.2.1 Property, Plant & Equipment

- (a) Property, Plant & Equipment is initially recorded at cost. Land and buildings are subsequently shown at market value, based on valuations made by external independent valuers. All other Property, Plant & Equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses.

Increases in the carrying amount arising on revaluation are credited to revaluation and other reserves in shareholder’s equity. Decreases that offset previous increased of the same asset are charged against the revaluation reserve ; all other decreases are charged to the Income Statement. Each year the difference between depreciation based on the revalued carrying amount of the asset (the depreciation charged to the Income Statement) and depreciation based on asset’s original cost is transferred from revaluation reserve to retained earnings.

- (b) Depreciation is calculated on the straight line method to write-off the cost of each asset or the revalued amounts to their residual values over their estimated useful lives as follows :

	%
Buildings	2.5 - 5
Plant & Machinery	10 - 20
Furniture & Fittings	5 - 15
Motor Vehicles	20
Equipment	10 - 20
Electrical Installation	10 - 20

RENUKA HOLDINGS PLC
NOTES TO THE FINANCIAL STATEMENTS

Land is not depreciated as it is deemed to have an indefinite life.

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

Gains and losses on disposal of Property, Plant & Equipment are determined by comparing proceeds with carrying amount and are taken into account in determining operating profit. On disposal of revalued assets, amounts in revaluation and other reserves relating to that asset are transferred to retained earnings.

(c) Immature and Mature Plantations

The cost of Replanting and New Planting are classified as immature plantation up to the time of harvesting the crop.

Further, the general charges incurred on the plantation are apportioned based on the labour days spent on respective Replanting and New Planting and capitalised on the immature areas. The remaining portion of the general charges is expensed in the accounting period in which it is incurred.

The cost of immature areas coming into bearing are transferred to mature plantations and depreciated over their useful life period.

(d) Finance Leases

Property, Plant & Equipment on finance leases, which effectively transfer to the Company substantially all the risk and benefits incidental to ownership of the leased items, are capitalised and disclosed as finance leases at their cash price and depreciated over the period the Company is expected to benefit from the use of the leased assets.

The corresponding principal amount payable to the lesser is shown as a liability. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the outstanding balance of the liability. The interest payable over the period of the lease is transferred to an interest in suspense account. The interest element of the rental obligations pertaining to each financial year is charged to the Income Statement over the period of lease.

(e) Leasehold Property

Leasehold property comprising of land use rights and stated at valuation, is amortised on a straight line basis over the period of the lease. Leasehold property are tested for impairment annually and is written down where applicable. The impairment loss if any, is recognised in the income statement.

(f) Investment Property

Investment property is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the investment property can be measured reliably.

RENUKA HOLDINGS PLC
NOTES TO THE FINANCIAL STATEMENTS

Investment property, comprising freehold land and buildings, is property held for long-term rental or for capital appreciation or both and is not occupied substantially for the supply of goods or services or in administration, and is not intended for sale in the ordinary course of business. Investment property is initially measured at its cost. Subsequent to initial recognition the investment properties are stated at fair value, which reflect market conditions at the Balance Sheet date. Gains or losses arising from changes in fair value are included in the Income Statement in the year in which they arise.

(g) Impairment of Property, Plant & Equipment

The carrying value of Property, Plant & Equipment is reviewed for impairment either annually or when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount the assets are written down to their recoverable amount. Impairment losses are recognised in the Income Statement unless it reverses a previous revaluation surplus for the same asset.

2.2.2 Investments

2.2.2.1 Long Term Investments

Investments held on long term basis are classified as non-current investment and are measured at cost less impairment losses. The cost of the investment is the cost of acquisition inclusive of brokerage and costs of transaction. Provision for impairment is made in the income statement, when there has been a decline other than temporary in the value of investments, determined on an individual basis.

2.2.2.2 Short Term Investments

Short-term investments (quoted) are recognized at market value as at the Balance Sheet date. Any resultant gain or loss in market value is recognized in the income statement.

2.2.3 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined by the weighted average method. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads, but excludes interest expense. Net realisable value is the estimate of the selling price in the ordinary course of business less the costs of completion and selling expenses. Provision is made, where necessary, for obsolete, slow moving and defective inventories.

Harvested Crop

Inventory of harvested crop since sold has been valued at since realised price. Unsold harvested crop has been valued at estimated realisable value net of direct selling expenses. This basis has been adopted to recognised the Profit / Loss on perennial crops in the financial period of harvesting.

RENUKA HOLDINGS PLC
NOTES TO THE FINANCIAL STATEMENTS

2.2.4 Trade Receivables

Trade receivables are carried at anticipated realisable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at the year end. Bad debts are written off during the year in which they are identified.

2.2.5 Cash and Cash Equivalents

Cash and cash equivalents are defined as cash in hand, demand deposits and short-term highly liquid investments, readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

For the purpose of Cash Flow Statement, Cash and Cash Equivalents consist of cash in hand and deposits in banks net of outstanding bank overdrafts.

2.3 LIABILITIES AND PROVISIONS

2.3.1 Trade & Other Payables

Trade & other payables are stated at book values.

2.3.2 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

2.3.3 Employee Benefit Cost

2.3.3.1 Defined Benefit Plan -

A defined benefit plan is a post employment benefit plan other than a defined contributions plan. The liability recognized in the balance sheet in respect of defined benefit plan is the present value of the defined benefit obligation at the balance sheet date. Benefits falling due more than 12 months after the balance sheet date are discounted to present value.

The defined benefit obligation is calculated annually by independent actuaries using Projected Unit Credit Method (PUC) as recommended by SLAS - 16, Employees benefits. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows.

The actuarial gains and losses are charged or credited to income statement in the period in which they arise.

RENUKA HOLDINGS PLC
NOTES TO THE FINANCIAL STATEMENTS

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

2.3.3.2 Defined Contribution Plan-Employee's Provident Fund and Employee's Trust Fund.

All employees who are eligible for Employee's Provident Fund Contribution and Employee's Trust Fund Contributions are covered by relevant contribution funds in line with respective Statutes and Regulations.

Contribution to Provident Fund and Trust Fund covering the employees are recognized as an expense in the Income Statement in the period in which it is incurred.

2.3.4 Grants

Grants received in relation to assets are deducted from the cost of the assets. Thus this grant is recognised as income over the useful life of the depreciable asset by way of a reduced depreciation charge.

2.3.5 Capital commitments and contingencies

All material capital commitments and contingences of the Group as at the balance sheet date are disclosed in the notes to the Financial Statements.

2.4 INCOME STATEMENT

2.4.1 Revenue Recognition

Revenue is recognised 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 recognised.

(a) Rendering of Services

Revenue from rendering of services is recognised in the accounting period in which the services are rendered or performed.

(b) Exports Sales - at the time of shipment

(c) Local Sales - at time of dispatch

(d) Export Rebate Income

Export Rebate income has been accounted for on an accrual basis.

RENUKA HOLDINGS PLC
NOTES TO THE FINANCIAL STATEMENTS

(e) Interest

Interest Income is recognised as the interest accrues (taking into account the effective yield on the asset) unless collectibility is in doubt.

(f) Dividend Income

Dividend Income is recognised when the Company's right to receive payment is established.

(g) Others Gains or losses of a revenue nature on the disposal of Property, Plant & Equipment have been accounted for in the Income Statement.

(h) In keeping with the practice in the Plantation Industry, revenue and profit or loss on perennial crops are recognised in the financial period of harvesting. Revenue is recorded at invoice value net of Brokerage, Public Sale Expenses and other levies related to turnover.

2.4.2 Expenditure Recognition

(a) Revenue Expenditure

All expenditure incurred in the running of the business and in maintaining the capital assets in a state of efficiency, has been charged to revenue in arriving at the profit or loss for the year.

(b) Capital Expenditure

Expenditure incurred for the purpose of acquiring, 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.

(c) For the purpose of presentation of the Income Statement, the Directors are of the opinion that function of expenses method fairly present the elements of the Company's performance, hence such presentation method is adopted.

2.5 SEGMENT REPORTING

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

The results of the business segments are described in Note 38 to the Financial Statements.

RENUKA HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

	Consolidated		Company	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009
	Rs.	Rs.	Rs.	Rs.
NOTE 3 - REVENUE				
Agri Business Sector				
Exports	1,408,489,071	122,444,133	-	-
Local	54,198,611	5,905,984	-	-
Investment & Services Sector				
Dividend Income - Quoted Shares	5,354,926	5,061,971	4,544,026	5,061,971
- Others	685,825	-	13,847,226	-
Rent Income - Investment Property	2,400,000	2,400,000	-	-
Logistic Services	5,216,970	4,199	-	-
Others	-	189,508	-	-
	<u>1,476,345,403</u>	<u>136,005,795</u>	<u>18,391,252</u>	<u>5,061,971</u>

NOTE 4 - GAIN / (LOSS) FROM DISPOSAL OF NON CURRENT INVESTMENTS

- (a) Renuka Holdings PLC disposed its investment in Ceylon Forestry (Pvt) Ltd of Rs. 21Mn during the year to Coco Lanka PLC for Rs. 20Mn. The effective reduction of the holding percentage of the Company in Ceylon Forestry (Pvt) Ltd due to this disposal was 30% .
- (b) Renuka Agro Exports Ltd also disposed its holding in Renuka Teas (Ceylon) Ltd of Rs. 6,250,000/- to Coco Lanka PLC for Rs. 25Mn. The effective reduction in the group's or company's holding percentage in Renuka Teas (Ceylon) Ltd due to this disposal was 23%.

NOTE 5 - OTHER INCOME

Interest Income on - Call Deposits	1,426,009	577,308	343,153	308,751
- Foreign Currency Account	473,192	31,162	-	-
- Fixed Deposits	10,354,372	226,398	-	-
- Repo	3,253,841	3,234,446	333,539	2,905,605
Exchange Gain	3,624,031	642,490	-	-
Other Income	66,093	31,294	-	-
Sundry Sales	6,200,567	169,934	-	-
Creditors Written Back	-	148,638	-	-
Export Rebate	10,457,307	450,435	-	-
Export Grant Received	199,920	16,658	-	-
Deemed Disposal Profit (Note 5[a])	11,154,607	-	-	-
	<u>47,209,939</u>	<u>5,528,764</u>	<u>676,692</u>	<u>3,214,356</u>

NOTE 5(a) - DEEMED DISPOSAL PROFIT

During the year Renuka Agrifoods PLC issued 120Mn shares to Minority for Rs. 270Mn. As a result, the effective holding of Renuka Holdings PLC in Renuka Agrifoods PLC reduced resulting in profit of Rs. 11,154,607/-.

NOTE 6 - FINANCE COST

Interest on Loans & Bank Overdraft	13,964,901	2,696,325	-	-
Lease Interest	749,125	79,493	-	-
	<u>14,714,026</u>	<u>2,775,818</u>	<u>-</u>	<u>-</u>

RENUKA HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 7 - NEGATIVE GOODWILL ON ACQUISITION OF SUBSIDIARIES

	Renuks Trading (Pvt) Ltd	Renuka Villas (Pvt) Ltd	Renuka Resorts Ltd	Total
Investment made	110,000,000	12,500	1,000,000	111,012,500
Net Assets Acquired	(110,501,662)	(145,631)	(6,176,011)	(116,823,304)
Negative Goodwill	501,662	133,131	5,176,011	5,810,804
	Consolidated		Company	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009
	Rs.	Rs.	Rs.	Rs.

NOTE 8 - PROFIT / (LOSS) BEFORE TAXATION

is stated after charging all expenses including the following :

Directors Emoluments & Fees	4,635,000	178,750	45,000	45,000
Auditors Remuneration	1,226,500	204,409	100,000	90,000
Depreciation on Property, Plant & Equipment	39,697,782	3,017,982	-	-
Donation	61,975	2,083	-	-
Staff Cost				
Defined Benefit Plan	3,274,316	31,326	-	-
Other Staff Cost (Including EPF & ETF)	130,572,471	10,192,860	-	-
Provision for Bad Debts	-	50,000	-	-
Amortisation of Leasehold Assets	2,850,004	229,167	-	-

NOTE 9 - TAXATION

Current year Income Tax	10,078,785	1,618,139	239,213	1,142,000
Income Tax under provision for previous year	-	1,000	1,183	1,000
Deemed Dividend Tax	190,928	-	-	-
Tax effect on Group Dividend	832,150	-	-	-
Transferred to Deferred Taxation	2,947,688	2,072,016	-	-
	14,049,551	3,691,155	240,396	1,143,000

NOTE 9.1 - RECONCILIATION BETWEEN TAXABLE PROFIT AND THE ACCOUNTING PROFIT

	Consolidated 31.03.2010 Rs.	Company 31.03.2010 Rs.
Profit before Taxation	387,120,818	165,245,445
Tax at the Applicable rate 35%	135,492,286	57,835,906
Tax effect of profits taxed at lower rates	(3,085,188)	-
Tax effect of Income not subject to Tax	(118,498,080)	(57,595,510)
Tax effect of Expense not deductible for tax purposes	19,981,030	-
Tax effect of Allowable Expense for tax purposes	(20,344,305)	-
Tax effect of Tax Losses setoff	(20,322)	-
Social Responsibility Levy	74,361	-
Deemed Dividend Tax	190,928	-
Tax effect on Group Dividend	832,150	-
Tax effect of Deemed Disposed Profit	(3,904,228)	-
Tax effect of Negative Goodwill	(2,033,781)	-
Tax effect of unutilized tax losses	5,364,700	-
Income Tax Expense	14,049,551	240,396

RENUKA HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

	Consolidated		Company	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009
	Rs.	Rs.	Rs.	Rs.
		(Restated)		(Restated)

NOTE 10 - EARNINGS PER SHARE

10.1 Basic Earnings per Share is calculated by dividing the Profit / (Loss) for the year attributable to ordinary shareholders by the weighted average number of ordinary Shares outstanding during the year.

10.2 The following reflect the Income and Share data used in the basic Earnings per Share computation.

Amount used as the Numerator

Profit / (Loss) Attributable to equity holders of the Company for basic Earnings per share

	240,748,941	440,222,838	165,005,049	(18,466,405)
--	-------------	-------------	-------------	--------------

Number of Ordinary Shares used as Denominator

Weighted Average number of Ordinary Shares in issue applicable to basic Earnings per Share

	47,749,315	46,125,000	47,749,315	46,125,000
--	------------	------------	------------	------------

	Rs.	Rs.	Rs.	Rs.
--	-----	-----	-----	-----

Earnings per Share	5.04	9.54	3.45	(0.40)
--------------------	------	------	------	--------

The weighted average number of ordinary shares of the previous year has been adjusted for effect of right issue of shares and sub division of shares.

NOTE 11 - DIVIDEND PER SHARE

Dividend Paid	15,000,000	6,000,000	15,000,000	6,000,000
No. of Ordinary Shares*	37,500,000	37,500,000	37,500,000	37,500,000
Dividend per Share	0.40	0.16	0.40	0.16

The No. of shares have been restated to enable comparison with year 2010 as to reflect the five for one share split

RENUKA HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 12 - PROPERTY, PLANT & EQUIPMENT

CONSOLIDATED

Cost	As at	Acquisition of	Additions	As at
	01.04.2009	Subsidiaries		31.03.2010
	Rs.	Rs.	Rs.	Rs.
Freehold Land	205,425,103	63,752,000.00	599,291	269,776,394
Building	137,481,094	47,001,320.00	124,566	184,606,980
Plant & Machinery	326,065,000	-	3,122,327	329,187,327
Motor Vehicles	37,490,870	-	619,180	38,110,050
Equipment & Tools	86,087,584	-	1,008,210	87,095,794
Furniture & Fittings	18,590,115	-	35,564	18,625,679
Electrical Installation	13,567,678	-	-	13,567,678
	<u>824,707,444</u>	<u>110,753,320</u>	<u>5,509,138</u>	<u>940,969,902</u>

Depreciation	As at	Acquisition of	Charge for	As at
	01.04.2009	Subsidiaries	the year	31.03.2010
	Rs.	Rs.	Rs.	Rs.
Freehold Land	-	-	-	-
Building	12,629,625	-	2,855,605	15,485,230
Plant & Machinery	115,834,970	-	22,124,485	137,959,455
Motor Vehicles	23,883,178	-	4,588,001	28,471,179
Equipment & Tools	20,056,055	-	7,294,740	27,350,795
Furniture & Fittings	9,394,394	-	1,478,184	10,872,578
Electrical Installation	6,202,510	-	1,356,767	7,559,277
	<u>188,000,732</u>	<u>-</u>	<u>39,697,782</u>	<u>227,698,514</u>

Written Down Value	As at	As at
	31.03.2010	31.03.2009
	Rs.	Rs.
Capital Work in Progress	713,271,388	636,706,711
	<u>8,376,504</u>	<u>200,866</u>
	<u>721,647,892</u>	<u>636,907,577</u>

Consolidated

31.03.2010	31.03.2009
Rs.	Rs.

NOTE 13 - INTANGIBLE ASSETS

Goodwill - Ceylon Forestry (Pvt) Ltd

Cost / Carrying Value

As at 1st April 2009	131,932	-
Acquired / Incurred during the period	-	131,932
Transferred to Disposal account	(131,932)	-
As at 31st March 2010	<u>-</u>	<u>131,932</u>

RENUKA HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

	Consolidated		Company	
	31.03.2010 Rs.	31.03.2009 Rs.	31.03.2010 Rs.	31.03.2009 Rs.
NOTE 14 - INVESTMENT PROPERTY				
Consolidated				
Fair Value of Investment Property				
Renuka Developments Ltd.				
Balance on 1st April	307,000,000	307,000,000	-	-
Additions during the year	13,279,000	-	-	-
Balance on 31st March	320,279,000	307,000,000	-	-

Land & Building
No. 210, Sri Dhamma Mawatha, Colombo 9

The Property brought forward has been valued by valuer Leon M.P. Perera D.I.V, F.I.V (Asst. Govt. Valuer [Retired]), valuer to Hatton National Bank / People's Bank, Bank of Ceylon / Nation Trust Bank on 30th September 2008. The Property has been valued by the valuer based on the Market value of the adjoining properties. The Directors are of the opinion that the carrying value of Rs. 307 Mn is applicable as at 31st March 2010.

During the year the Group has received a sum of Rs. 2,400,000/- as rent income. (2008/2009 - 2,400,000)

NOTE 15 - VALUE OF IMMOVABLE ASSETS ON LEASE

Kandy Plantations Ltd (Note 15(a))				
Land, Building, Mature and Immature Plantations	82,500,000	82,500,000	-	-
Less : Amortisation as at 31.03.2010	(19,250,004)	(16,500,000)	-	-
	63,249,996	66,000,000	-	-
Ceylon Forestry (Pvt) Ltd				
Lease hold Right to Land	2,450,000	-	-	-
Less : Amortisation as at 31.03.2010	(100,000)	-	-	-
	2,350,000	-	-	-
Net Balance	65,599,996	66,000,000	-	-

NOTE 15(a) - KANDY PLANTATIONS LTD

Lease have been executed for 3 estates (Primarily coconut) comprising 33 contiguous allotments of Land called and known as "Giriulla Estate" in Giriulla situated in the Gampaha District, Western Province. As per Survey Plan No. 45/27, prepared in May 1926 and April 1927 by Mr. L.H.Croos Dabrera, this contiguous allotments of Land comprise a total extent of 640A-3R-32P. This lease has been executed for a period of 30 years under 2 separate lease agreements. The first lease agreement relates to 10 years period from 1st April 2003 to 31st March 2013 and the second lease agreement relates to the next 20 years commencing from 1st April 2013 and ending on 31st March 2033.

A valuation report dated 11th October 2003 prepared by Leon M.P. Perera Dip.In.Val.F.I.V. indicates only the method of ascertaining the maximum amount payable to the owner of the Estate for the 30 years period which was Rs. 88,000,000/-. The agreed amount payable of Rs. 82.5Mn. had been capitalised on the basis that it represents the value of immovable assets taken over by Kandy Plantations Ltd.

NOTE 16 - IMMATURE PLANTATION

Balance on 1st April	3,145,971	-	-	-
Acquisition of Subsidiaries	-	3,145,971	-	-
Additions during the year	2,191,503	-	-	-
Written off during the year	(325,484)	-	-	-
Balance on 31st March	5,011,990	3,145,971	-	-

RENUKA HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 17 - INVESTMENTS

	Consolidated		Company	
	31.03.2010 Rs.	31.03.2009 Rs.	31.03.2010 Rs.	31.03.2009 Rs.
Cost	-	-	102,000,000	123,000,000
Less : Provision for fall in Value of Investment	-	-	-	-
	-	-	102,000,000	123,000,000

NOTE 17(a) - INVESTMENTS IN SUBSIDIARIES

	% Holding		No of Shares		Value	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009	31.03.2010	31.03.2009
Renuka Developments Ltd	100%	100%	9,994	9,994	35,000,000.00	35,000,000
Renuka Enterprises (Pvt) Ltd	97%	97%	3,100,000	3,100,000	31,000,000.00	31,000,000
Renuka Agro Exports Ltd	96%	96%	9,600,000	9,600,000	36,000,000.00	36,000,000
Ceylon Forestry (Pvt) Ltd	-	60%	-	(2,100,000)	-	(21,000,000)
					102,000,000	(21,000,000)
					102,000,000	123,000,000

NOTE 17(b) - GROUP INVESTMENTS IN SUBSIDIARIES

	% Holding		No of Shares		Value	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009	31.03.2010	31.03.2009
Investor						
Renuka Agro Exports Ltd						
Investee						
Quoted Investments						
Coco Lanka PLC	52.23%	52.23%	12,222,216	5,641,022	219,430,000	94,813,095
Unquoted Investments						
Renuka Teas Ceylon (Pvt) Ltd	-	50%	-	(625,000)	-	(6,250,000)
Investor						
Coco Lanka PLC						
Investee						
Quoted Investments						
Renuka Agri Foods PLC	55.09%	78.60%	221,030,000	221,030,000	219,430,000	219,430,000
Unquoted Investments						
Renuka Teas Ceylon (Pvt) Ltd	100%	50%	1,250,000	625,000	46,875,000	25,000,000
voting	100%	100%	1,250,000	-	50,000,000	-
nonvoting	50%	50%	500,000	500,000	50,000,000	50,000,000
Renuka Organics (Pvt) Ltd	60%	-	3,500,000	-	20,000,000	-
Ceylon Forestry (Pvt) Ltd						

RENUKA HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 17 - INVESTMENTS (CONTD.)

NOTE 17 (b) - GROUP INVESTMENTS IN SUBSIDIARIES (CONTD.)

	% Holding		No of Shares		Value	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009	31.03.2010	31.03.2009
Investor Renuka Organics (Pvt) Ltd						
Investee Kandy Plantations Ltd	50%	50%	2,100,002	2,100,002	21,050,025	21,050,025
Renuka Witsenburg Organics (Pvt) Ltd	100%	100%	100,000	100,000	10,000,000	10,000,000
Investor Renuka Teas Ceylon (Pvt) Ltd						
Investee Campbell Teas (Pvt) Ltd	100%	100%	499,998	499,998	4,999,980	4,999,980
Renuka Trading (Pvt) Ltd	100%	-	20	-	110,000,000	-
Investor Ceylon Forestry (Pvt) Ltd						
Investee Ceylon Botanicals (Pvt) Ltd	100%	100%	2,500,000	2,500,000	25,000,000	25,000,000
Investor Renuka Enterprises (Pvt) Ltd						
Investee Renuka Travel & Tours (Pvt) Ltd	100%	100%	549,980	549,980	5,499,800	5,499,800
Renuka Investments (Pvt) Ltd	50%	50%	5,000	5,000	50,000	50,000
Investor Renuka Investments (Pvt) Ltd						
Investee Renuka Resorts Ltd	89.60%	79.60%	89,600	79,600	1,796,000	796,000
Renuka Villas (Pvt) Ltd	50%	-	12,500	-	12,500	-

RENUKA HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 17 - INVESTMENTS (CONTD.)

NOTE 17 (c) - OTHER INVESTMENTS

	% Holding		No of Shares		Value	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009	31.03.2010	31.03.2009
Investor						
Renuka Enterprises (Pvt) Ltd						
Investee						
Crescent Laundries & Dry Cleaners (Pvt) Ltd	44.25%	44.25%	265,500	265,500	56,882,542	56,882,542
Investor						
Renuka Investments (Pvt) Ltd						
Investee						
Renuka Consultants & Services Ltd	20.71%	20.71%	12,420	12,420	96,112,570	96,112,570
Renuka Properties Ltd	20.64%	20.64%	12,386	12,386	46,062,520	46,062,520
Lancaster Holdings Ltd	20.64%	20.64%	12,386	12,386	24,901,310	24,901,310
The Cargo Boat Despatch Co. Ltd	49.99%	49.99%	50,498	50,498	504,980	504,980
Investor						
Renuka Travels & Tours (Pvt) Ltd	-	-	-	-	-	-
Investee						
The Cargo Boat Despatch Co. Ltd	-	-	-	-	10	10
Investor						
Renuka Enterprises (Pvt) Ltd	-	-	-	-	-	-
Investee						
The Cargo Boat Despatch Co. Ltd	-	-	-	-	10	10
					224,463,942	224,463,922

* The Group percentage holding in the above companies is more than 20% but less than 50% as at 31st March 2010. However, there is no representation in the Board of Directors of these companies by the Group. In the absence of significant influence in these companies, these investments have not been accounted as investment in Associates.

	Consolidated		Company	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009
NOTE 18 - INVENTORIES	Rs.	Rs.	Rs.	Rs.
Raw Materials & Consumables	16,648,692	5,897,914	-	-
Finished Goods	107,337,268	86,277,901	-	-
Packing Material & Chemicals	78,522,314	69,230,119	-	-
Machinery Spare Parts	23,082,631	14,239,808	-	-
Goods in Transit	-	5,122,678	-	-
Work in Progress	4,570,562	5,038,925	-	-
Harvested Crop	5,397,610	5,843,362	-	-
Tea Stock	2,521,624	-	-	-
Tea Flavours	193,466	-	-	-
Blended Tea Stock	6,300,587	-	-	-
Less. Stock Provision.	(1,777,849)	-	-	-
	242,796,904	191,650,707	-	-

RENUKA HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 19 - SHORT TERM INVESTMENTS IN SHARES

(a) Renuka Holdings PLC

Quoted Shares	No. of Shares			Carrying Value of Shares Gain/(Loss) from					Dividends Received	
	01.04.2009	Addition	Disposal	31.03.2010	01.04.2009 (Restated)	Additions	Change in Market Value	Sale Proceeds from Disposal		On 31.03.2010
Bank, Finance & Insurance										
Commercial Bank of Ceylon PLC (NV)	47,884	-	47,884	-	2,968,808	-	2,999,372	5,968,180	-	-
DFCC	3,391	851,400	245,491	609,500	294,188	117,875,352	35,418,765	43,523,455	110,014,790	416,455
Hatton National Bank PLC	320	-	320	-	24,960	-	(21,805)	3,155	-	27,475
Lanka Ventures PLC	200	-	200	-	1,150	-	1,655	2,805	-	-
Nations Trust Bank PLC	2,266	30,000	32,266	-	53,917	973,680	132,564	1,160,161	-	3,150
Nations Trust Bank Share Warrants										
2010	566	-	-	566	1,981	-	(1,981)	-	-	-
2011	283	-	-	283	1,104	-	(1,104)	-	-	-
Sejlan Bank PLC (NV)	2,800	-	2,800	-	15,400	-	17,721	33,121	-	-
The Finance Co. PLC	100	-	100	-	2,200	-	457	2,657	-	-
Yank Incorporation PLC	50	-	50	-	40	-	-	-	40	-
Sampath Bank PLC	27,600	40,000	45,600	22,000	1,952,000	6,336,584	6,164,962	9,505,545	4,884,000	102,828
HNB Assurance PLC	10,000	-	10,000	-	202,500	-	91,519	294,049	-	-
Hatton National Bank PLC (NV)	200	35,000	35,200	-	7,600	2,580,327	49,6082	3,084,009	-	-
Lanka Orix Leasing Co. PLC	2,600	-	2,600	-	180,050	-	150,176	330,226	-	-
Commercial Bank PLC	30,133	20,000	29,800	20,333	2,388,040	3,770,631	3,867,196	5,923,685	4,102,183	491,594
National Development Bank PLC	17,012	829,000	37,012	809,000	1,514,068	129,401,898	48,004,607	9,030,573	169,890,000	114,831
Janashakshi Insurance	30,000	30,000	30,000	-	659,264	-	(784,699)	480,459	-	90,000
Merchant Bank	-	20,000	20,000	-	-	374,424	(784,699)	295,725	-	-
Beverages / Food & Tobacco										
Ceylon Tobacco Co. PLC	200,060	-	200,060	-	19,205,760	-	16,207,839	35,413,599	-	2,266,904
North Lanka PLC	2,000	-	2,000	-	550,000	-	194,266	744,266	-	35,100
Cargill (Ceylon) PLC	4,000	-	4,000	-	94,000	-	132,223	226,223	-	2,000
Tea Small Holders PLC	1,100	-	1,100	-	61,600	-	8,1531	143,131	-	8,510
Coco Lanka PLC	75,800	-	75,800	-	1,364,400	-	364,196	1,728,596	-	-
Hirischanda	100	-	100	-	-	-	73,931	73,931	-	2,354
Hotels & Travels										
Asian Hotel & Properties PLC	35,000	-	35,000	-	866,250	-	1,659,241	2,525,491	-	70,000
Eden Hotel Lanka PLC	10,000	-	10,000	-	97,500	-	94,720	192,220	-	-
Renuka City Hotel PLC	44,240	-	44,240	-	3,096,800	-	4,938,949	8,035,749	-	156,334
Keelth Hotels PLC	1,686	-	1,686	-	10,959	-	22,874	33,833	-	-
Land & Property										
Ceylono Sejan Development PLC	25,500	-	-	25,500	159,375	-	102,000	-	261,375	-
C.T. Land Development PLC	50	-	50	-	625	-	311	936	-	23
East West Properties PLC	120	-	120	-	588	-	323	911	-	-
Colombo Land	-	20,000	20,000	-	-	79,112	888	79,999	-	-
Totewood Company Ltd.	-	25,000	25,000	-	-	2,517,972	1,033,677	3,551,649	-	-
Construction Engineering										
Dockyard	551	-	551	-	31,545	-	59,369	90,914	-	3,475
Manufacturing										
Blue Diamonds Jewellery World Wide PLC	67	-	67	-	87	-	31	118	-	-
Calce (Chevron Lubricants Lanka PLC)	11,000	-	11,000	-	1,160,500	-	463,028	1,623,528	-	41,400
Dipped Products PLC	278	-	278	-	15,360	-	81,22	23,482	-	834
Lanka Walliles PLC	2,975	25,000	27,975	-	107,100	1,208,373	668,20	1,382,294	-	35,945
Royal Ceramics Lanka PLC	120	-	120	-	3,300	-	2,715	6,015	-	-
Pinnal Glass Ceylon PLC	100,000	-	100,000	-	130,000	-	57,289	187,289	-	-
Sierra Cables PLC	5,400	-	5,400	-	5,940	-	41,07	10,107	-	-
ACL Cables PLC	-	30,000	30,000	-	-	2,073,037	668,53	2,139,891	-	-

RENUKA HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 19 - SHORT TERM INVESTMENTS IN SHARES

Queued Shares	No. of Shares			Carrying Value of Shares					Dividends Received	
	01.04.2009	Addition	Disposal	31.03.2010	01.04.2009 (Restated)	Additions	Change in Market Value	Sale Proceeds from Disposal		On 31.03.2010
Power & Energy										
Lanka IOC PLC	2,800	-	2,800	-	44,800	-	7,662	52,442	-	6,250
Vallibel Power, Eandina PLC	-	25,000	25,000	-	-	98,889	30,490	129,379	-	-
Diversified Holding										
Adeen Spence PLC	1,166	8,900	-	10,066	362,335	11,468,212	1,997,621	-	13,828,168	11,077
Ceylon Theatres PLC	670,460	-	660,460	10,000	18,102,420	-	14,613,990	32,176,410	540,000	275,035
Hayleys PLC	32,404	-	27,400	5,004	2,916,360	-	1,944,420	3,734,880	1,125,900	97,212
Hemas Holdings PLC	5,125	-	100	5,025	308,781	-	306,835	12,616	603,000	8,303
John Keells Holdings PLC	8,954	30,500	8,954	30,500	561,864	3,457,846	2,954,508	1,362,218	5,612,000	78,908
Richard Peris & Co. PLC	39,666	-	-	39,666	991,650	-	1,189,980	-	2,181,630	-
Fort Land	20,000	-	20,000	-	325,000	-	224,478	549,478	-	-
Investment Trust										
Ceylon Investment Co. PLC	7,024	-	7,024	-	407,392	-	763,401	1,170,793	-	40,168
Ceylon Guardian	1,936	-	1,936	-	199,892	-	482,332	632,224	-	22,264
Chemicals & Pharmaceuticals										
Hayrab	5,000	-	5,000	-	200,000	-	220,616	420,616	-	12,245
Chemical Industries Colombo PLC (CIC)	18,000	38,164	56,164	-	567,000	2,509,529	509,309	3,385,838	-	27,100
Telecommunication										
Dialog Telecom PLC	90,600	196,500	-	287,100	443,940	1,044,262	449,723	-	1,937,925	-
Health Care										
Abiri Hospital PLC	21,250	-	21,250	-	1,168,750	-	297,606	1,466,356	-	13,853
Abiri Surgical Hospital PLC	129,650	-	129,650	-	873,138	-	430,643	1,295,781	-	9,724
Durians/Ceylon Hospital PLC	9,500	-	9,500	-	505,875	-	356,941	842,816	-	14,250
Plantations										
Talawalle Tea Estate PLC	37,100	-	37,100	-	519,400	-	584,564	1,103,964	-	41,738
Trading										
C. W. Mackie PLC	20,800	-	20,800	-	343,200	-	276,837	620,037	-	7,290
Company Total										
					65,343,493	286,429,292	150,260,513	187,052,328	314,980,970	4,544,026
(b) COCO Lanka PLC										
Ceylon Tobacco PLC	-	170,000	-	170,000	-	30,974,850	11,535,150	-	42,500,000	-
Distillers Co. PLC	-	50,000	-	50,000	-	6,003,554	(103,554)	-	5,900,000	-
						36,978,404	11,431,596	-	48,400,000	810,900
Group Total					65,343,493	323,407,696	161,682,109	187,052,328	363,380,970	5,354,926

RENUKA HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

	Consolidated		Company	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009
	Rs.	Rs.	Rs.	Rs.
NOTE 20 - TRADE AND OTHER RECEIVABLES				
Trade Debtors	9,554,724	79,538,627	-	-
Provision for Bad debts - Note 20 (a)	(600,000)	(600,000)	-	-
Other Receivables	223,616,806	87,201,324	48,299	132,331
Premium Paid on Lease hold Land	2,762,742	2,831,812	-	-
Net Proceeds Receivable on Sale of Shares	41,581,460	-	41,581,460	-
	<u>276,915,732</u>	<u>168,971,763</u>	<u>41,629,759</u>	<u>132,331</u>
NOTE 20 (a) - PROVISION FOR BAD DEBS				
Balance on 1st April	600,000	-	-	-
Acquisition of Subsidiaries	-	550,000	-	-
Provision made during the year	-	50,000	-	-
Balance on 31st March	<u>600,000</u>	<u>600,000</u>	<u>-</u>	<u>-</u>
NOTE 21 - AMOUNT DUE FROM RELATED COMPANIES				
Island Holdings Ltd	-	4,051,020	-	-
Renuka Agro Export (Pvt) Ltd	-	-	116,700,000	-
Renuka Developments Ltd	-	-	13,120,000	-
Cargo Boat Despatch Company Ltd	22,875	-	-	-
	<u>22,875</u>	<u>4,051,020</u>	<u>129,820,000</u>	<u>-</u>
NOTE 22 - SHORT TERM INVESTMENTS IN DEPOSITS				
Short Term Deposits	221,764,377	3,762,839	-	-
Call Deposits	34,498,592	26,922,836	357,058	246,980
Repo	210,115,788	82,700,000	-	33,500,000
	<u>466,378,757</u>	<u>113,385,675</u>	<u>357,058</u>	<u>33,746,980</u>
NOTE 23 - CASH AT BANK				
Favourable Cash and Cash Equivalent Balances				
Cash at Bank & in Hand	61,715,388	38,014,753	-	-
	<u>61,715,388</u>	<u>38,014,753</u>	<u>-</u>	<u>-</u>
Unfavourable Cash and Cash Equivalent balances				
Bank Overdraft	(13,512,658)	(32,144,082)	(97,857)	(8,590,946)
	<u>(13,512,658)</u>	<u>(32,144,082)</u>	<u>(97,857)</u>	<u>(8,590,946)</u>
Net Balance	<u>48,202,731</u>	<u>5,870,670</u>	<u>(97,857)</u>	<u>(8,590,946)</u>

RENUKA HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 24 - STATED CAPITAL

	Company / Consolidated	
	31.03.2010	31.03.2009
	Rs.	Rs.
Number of Ordinary Shares Issued and Fully Paid		
Balance on 1st April	7,500,000	7,500,000
Right Issue of Shares - 1:6 Voting Shares	1,250,000	-
- 1:6 Non Voting Shares	1,250,000	-
Sub division of Shares (Each share sub divided in to 5 shares)	40,000,000	-
Balance on 31st March	<u>50,000,000</u>	<u>7,500,000</u>
Stated Capital		
Balance on 1st April	75,000,000	75,000,000
Right Issue of Shares - 1:6 Voting Shares @ 25/-	31,250,000	-
- 1.6 Non Voting Shares @ 15/-	18,750,000	-
Balance on 31st March	<u>125,000,000</u>	<u>75,000,000</u>

	Consolidated		Company	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009
	Rs.	Rs.	Rs.	Rs.

NOTE 25 - DEFERRED TAXATION

Balance on 1st April	23,968,481	-	-	-
Acquisition of Subsidiaries	-	21,896,465	-	-
Provision made during the year	2,947,688	2,072,016	-	-
Balance on 31 st March	<u>26,916,169</u>	<u>23,968,481</u>	<u>-</u>	<u>-</u>

NOTE 26 - INTEREST BEARING BORROWINGS & LEASE INSTALLMENTS

NOTE 26 (a) - Interest Bearing Borrowings and Lease Installments due after one year

Long Term Loan (26[c])	17,100,774	55,399,397	-	-
Lease Installments Payable (to the Owner of the Estate / Lessor) (26[d])	69,000,000	71,000,000	-	-
Finance Lease Obligation (Motor Vehicles) (26[e])	1,923,677	3,391,319	-	-
Others	2,350,000	-	-	-
Total Non-Current Portion of Interest Bearing Borrowings & Lease Installments	<u>90,374,451</u>	<u>129,790,716</u>	<u>-</u>	<u>-</u>

NOTE 26 (b) - Interest Bearing Borrowings and Lease Installments due within one year

Long Term Loan (26[c])	3,527,996	31,644,867	-	-
Lease Installments Payable (to the Owner of the Estate / Lessor) 26[d])	2,000,000	2,000,000	-	-
Finance Lease Obligation (Motor Vehicles) (26[e])	1,531,984	1,537,888	-	-
Project Loan	684,616	-	-	-
Packing Credit Loan	5,574,849	18,369,841	-	-
Total Non-Current Portion of Interest Bearing Borrowings	<u>13,319,445</u>	<u>53,552,596</u>	<u>-</u>	<u>-</u>

NOTE 26 (c) - Long Term Borrowings

Balance on 1st April	87,044,264	-	-	-
Acquisition of Subsidiaries	-	87,044,264	-	-
Loans Obtained During the year	16,523,039	-	-	-
Payments made during the year	(82,938,533)	-	-	-
Balance on 31st March	<u>20,628,770</u>	<u>87,044,264</u>	<u>-</u>	<u>-</u>
Payments due within one year	3,527,996	31,644,867	-	-
Payments due after one year	<u>17,100,774</u>	<u>55,399,397</u>	<u>-</u>	<u>-</u>

RENUKA HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 26 (c) - Long Term Borrowings (Contd.)

Details of loans obtained by the Group are set out below :

26 (c) (1) - Renuka Agri Foods PLC

DFCC Bank	19.25 Mn	To be paid in 72 installments with a grace period of 24 months starting from July 2010	6% above AWDNR (weighted Average Prime Lending Rate)	Primary mortgage over leasehold rights of an allotted plot of land depicted on lot no 28 Yatadawala, Makulana, Wathupitiwala.
-----------	----------	--	--	---

26 (c) (2) - Renuka Teas (Pvt) Ltd.

DFCC Bank	Rs .13 Mn	To be paid in 66 installments with a grace period of 6 months	7.5% above AWDNR (weighted Average Prime Lending Rate)	Primary mortgaged over the proposed machinery and a further mortgaged over existing machinery together with corporate guarantee by Renuka Agro Exports Ltd
-----------	-----------	---	--	--

NOTE 26 (d) - Lease Installments Payable (to the Owner of the Estate / Lessor)

	31.03.2010	31.03.2009
Total Lease installments payable under the lease for 30 years commencing 01.04.2003	82,500,000	82,500,000
Amount paid up to 31.03.2010	(11,500,000)	(9,500,000)
Balance payable on lease as at 31st March	<u>71,000,000</u>	<u>73,000,000</u>
Lease Installments payable in the ensuing year	(2,000,000)	(2,000,000)
Lease installments payable after one year	<u><u>69,000,000</u></u>	<u><u>71,000,000</u></u>

RENUKA HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

Note 26 (e) - Lease Obligation (Motor Vehicles)

	RENUKA AGRO EXPORTS LTD.		Renuka Travels & Tours (Pvt) Ltd	KANDY PLANTATIONS LTD	
Lessor	: HNB	: DFCC	DFCC	: HNB	
Asset	: Motor Car	: Motor Car	Motor Car	: Motor Car	
Agreement No.	: 3708/059/032/GR	: 6463		:	
Total Installments	: 60	: 60	-	: 60	
Lease Rental per month	: 16,336	: 115,627	-	: 18,787	
Cost of the Asset	: 1,006,250	: 9,900,000	-	: 1,150,000	
Interest	: 358,790	: 1,937,620	-	: 362,100	
	<u>1,365,040</u>	<u>11,837,620</u>	-	<u>1,512,100</u>	
Down Payment	: (384,880)	: (4,900,000)	-	: (384,880)	
Lease Liability	<u>980,160</u>	<u>6,937,620</u>	-	<u>1,127,220</u>	
Security	: Absolute Ownership of the Vehicle	: Absolute Ownership of the Vehicle	: Absolute Ownership of the Vehicle	: Absolute Ownership of the Vehicle	Consolidated Total
Lease Liability					
Balance on 01.04.2009	: -	: -	-	-	-
Acquisition of Subsidiaries	: 490,080	: 4,625,080	473,603	582,397	6,171,160
Lease Installments on the new Assets	: -	: -	-	-	-
Installments Paid during the year	: (196,032)	: (1,318,282)	(473,603)	(234,754)	(2,222,671)
Balance on 31.03.2010	<u>294,048</u>	<u>3,306,798</u>	-	<u>347,643</u>	<u>3,948,489</u>
Interest in Suspense					
Balance on 01.04.2009	: 91,168	: 868,223	190,553	92,009	1,241,953
Acquisition of Subsidiaries	: -	: -	-	-	-
Interest on the new Agreement Charged to Income Statement	: (57,642)	: (438,347)	(190,553)	(62,583)	(749,125)
Balance on 31.03.2010	<u>33,526</u>	<u>429,876</u>	-	<u>29,426</u>	<u>492,828</u>
Net Balance	<u>260,522</u>	<u>2,876,922</u>	-	<u>318,217</u>	<u>3,455,661</u>
Installments payable within one year					
Amount payable	196,032	1,456,766	-	219,564	1,872,362
Less : Interest in Suspense	(29,409)	(285,878)	-	(25,091)	(340,378)
	<u>166,623</u>	<u>1,170,888</u>	-	<u>194,473</u>	<u>1,531,984</u>
Installments payable after one year					
Amount payable	98,016	1,850,032	-	128,079	2,076,127
Less : Interest in Suspense	(4,117)	(143,998)	-	(4,335)	(152,450)
	<u>93,899</u>	<u>1,706,034</u>	-	<u>123,744</u>	<u>1,923,677</u>

RENUKA HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 27 - RETIREMENT BENEFIT OBLIGATION

	Consolidated		Company	
	31.03.2010 Rs.	31.03.2010 Rs.	31.03.2010 Rs.	31.03.2010 Rs.
27.1 Movement in the Present Value of the Defined Benefit Obligation (PV-DBO)				
Balance on 1st April	9,928,511	-	-	-
Acquisition of Subsidiaries	-	9,897,185	-	-
Provision made during the year (Note 27.5)	3,274,316	31,326	-	-
Gratuity Paid during the year	(702,432)	-	-	-
Balance on 31 st March	<u>12,500,395</u>	<u>9,928,511</u>	<u>-</u>	<u>-</u>

27.2 This obligation is not externally funded.

27.3 Gratuity liability is based on the actuarial valuation carried out by Messrs. Actuarial and Management Consultants (Private) Limited, Actuaries, on 31 March 2010. The principal assumptions used in the actuarial valuation are as follows:

Discount rate	12%
Retirement Age	55 years
Future salary increase	10%

27.4 In addition to the above, demographic assumptions such as mortality, withdrawal and disability, and retirement age were considered for the actuarial valuation. "A67/07 mortality table" issued by the Institute of Actuaries, London was used to estimate the gratuity liability of the Group.

27.5 Provision made during the year

Interest cost for the year	1,421,918
Current Service cost for the year	1,625,249
Actuarial (Gain) / Loss	227,149
	<u>3,274,316</u>

27.6 The comparative information in relation to Interest cost, current service cost, actuarial gain/loss cannot be disclosed for prior year as the Group has adopted actuarial valuation method from the current financial year.

NOTE 28 - TRADE & OTHER PAYABLES

Trade Creditors	47,328,117	59,688,445	-	-
Other Payables	14,314,362	958,838	-	-
Accrued Expenses & Other Payables	61,510,867	52,817,194	295,953	141,188
	<u>123,153,346</u>	<u>113,464,477</u>	<u>295,953</u>	<u>141,188</u>

NOTE 29 - AMOUNTS DUE TO RELATED COMPANIES

Renuka Group Ltd	212,311,010	31,282,348	210,800,000	29,776,338
Renuka Developments Ltd	-	-	-	2,300,000
Renuka Enterprises (Pvt) Ltd	-	-	25,700,000	25,533,456
Renuka Agro Exports Ltd	-	-	-	5,690,206
Renuka Agrifoods PLC	-	-	2,500,000	-
	<u>212,311,010</u>	<u>31,282,348</u>	<u>239,000,000</u>	<u>63,300,000</u>

NOTE 30 - INCOME TAX PAYABLE / (REFUND DUE)

Balance on 1st April	(7,489,820)	177,890	719,571	241,543
Acquisition of Subsidiaries	145,425	(8,475,684)	-	-
Income Tax provision made during the year	10,223,901	1,619,139	240,396	1,143,000
Payments made	(1,108,108)	(343,537)	(971,754)	(343,537)
Deemed Dividend Tax provision for the year	45,812	-	-	-
WHT	(1,098,904)	(177,068)	(34,315)	(30,875)
Notional Tax	(340,591)	(290,560)	(36,069)	(290,560)
Balance on 31st March	<u>377,715</u>	<u>(7,489,820)</u>	<u>(82,171)</u>	<u>719,571</u>

RENUKA HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 31 - RELATED PARTY TRANSACTIONS

31.1 Transactions with Key Managerial Persons

31.1.1 Key Managerial Persons include members of the Board of Directors of the Company and its Subsidiaries.

31.1.2 Transactions with Key Managerial Persons are given below :

	As at 31st March	
	2010 Rs.	2009 Rs.
Remuneration to Key Managerial Persons - Group	4,635,000	178,750

31.2 Transaction with related entities

Nature of Transactions	Group		Company	
	2009/2010 Rs.	2008/2009 Rs.	2009/2010 Rs.	2008/2009 Rs.
Subsidiaries & Parent Company				
Amounts receivable as at 31st March (Interest Free)	-	-	129,820,000	-
Amounts payable as at 31st March (Interest Free)	212,311,010	71,282,348	239,000,000	63,300,000
Net Investments made	-	-	(20,000,000)	88,000,000
Dividends received	-	-	13,847,226	-
Others Related Companies				
Amounts receivable as at 31st March				
- Island Holdings Ltd	-	4,051,020	-	-
- Cargo Boat Despatch Company Ltd	22,875	-	-	-
Sales				
- Chadha Oriental Food Ltd	24,877,211	118,721,381	-	-
- Enco Products Ltd	80,653,117	-	-	-
- B. Terfloth and Cie (Canada)	125,585,266	-	-	-
Consultancy Services				
	688,600			

RENUKA HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 31 - RELATED PARTY TRANSACTIONS (CONTD.)

31.3 Directors of Group Companies

Name of Director	RHL	CLP	RAF1	RTL	ROL	KPL	RWL	CTL	RTRL	CFL	CBL	RAEL	RDL	REL	RTTL	RIL	RRL	RVL	SBPL	COFL	EPL	BTC
Dr. S.R. Rajiyah (Chairman)	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	-	-	-	-
Mrs. I.R. Rajiyah	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	-	-	-	-
Mr. P.C.K. Abeykoon	√	√	√	-	-	-	-	-	-	-	-	√	-	-	-	-	-	-	-	-	-	-
Mr. C.J.De.S. Amararatunge	√	√	√	-	-	-	-	-	-	-	-	√	-	-	-	-	-	-	-	-	-	-
Mr. S.V. Rajiyah	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	-	-	-	-
Mr. L.M. Abeywickrama	√	√	√	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	√	-	-	-
Mr. J.E. Brennan	-	-	√	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	√	-	-
Mr. M. Terfloth	-	-	√	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	√

√ - indicates director

Renuka Holdings PLC	RHL	Renuka Wilsenburg Organics (Pvt) Ltd	RWL	Renuka Development Ltd	RDL	Syombiosis Business Partners (Pvt) Ltd	SBPL
Coco Lanka PLC	CLP	Campbell Teas (Pvt) Ltd	CTL	Renuka Enterprises (Pvt) Ltd	REL	Chadha Oriental Foods Ltd	COFL
Renuka Agrifoods PLC	RAF1	Renuka Trading (Pvt) Ltd	RTRL	Renuka Travels & Tours Ltd	RTTL	Enco Products Ltd	EPL
Renuka Teas (Ceylon) Ltd	RTL	Ceylon Forestry (Pvt) Ltd	CFL	Renuka Investments (Pvt) Ltd	RIL	B. Terfloth + Cie (Canada) Inc	BTC
Renuka Organics (Pvt) Ltd	ROL	Ceylon Botanical (Pvt) Ltd	CBL	Renuka Resorts Ltd	RRL		
Kandy Plantations Ltd	KPL	Renuka Agro Exports Ltd	RAEL	Renuka Villas (Pvt) Ltd	RVL		

RENUKA HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

NOTE 32 - EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

The Directors have proposed the payment of a final dividend of Rs 0.80 per share for the year ended 31st March 2010.

In accordance with SLAS 12 (2005) "Events after the Balance Sheet date" the final dividend has not been recognised as a liability in the Financial Statements at the year end.

There are no other material events occurring after the Balance Sheet date that require adjustments to or disclosure in the Financial Statements.

NOTE 33 - LITIGATIONS AGAINST THE GROUP

Coco Lanka PLC

During the year 2001 a case was filed by Renuka Hotels Ltd against seven respondents including the company and its subsidiary Renuka AgriFoods PLC (Case No HC(civil) 4/2001 (2)) in the Colombo commercial High Courts with regard to the investment made by the company in the above mentioned subsidiary. This action was dismissed with cost to the defendants.

However the legal consultants are of the view that there is a strong likelihood of the outcome of this case being in favour of Coco Lanka PLC even in the appeal

Kandy Plantations Ltd

Land Reform Commission has filed a case in the District Court of Attanagalla against the Trustees where the Company is a respondent.

NOTE 34 - CAPITAL COMMITMENTS

There were no material commitments that require disclosure in the Financial Statements as at the Balance Sheet date.

NOTE 35 - CONTINGENT LIABILITIES

Coco Lanka PLC

The Company has given a corporate guarantee for the bank facility of US\$ 1Mn obtained from Hong Kong & Shanghai Bank Corporation, by Renuka Agri Foods PLC which is a subsidiary of the Company.

There were no other material Contingent Liabilities to be disclosed in the Financial Statements as at the Balance Sheet date.

NOTE 36 - COMPARATIVE FIGURES

To facilitate comparison, relevant balances pertaining to the previous year have been re-classified to conform to current classification and presentation.

NOTE 37 - DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are responsible for the preparation of the Financial Statements of the Company in accordance with the Sri Lanka Accounting Standards and also for the Provision of information as required by the Company's Act No. 07 of 2007. The Directors are accordingly satisfied that the Financial Statements presented herein give a true and fair view of the state of affairs of the Company as at 31st March 2010 and the profit for the year then ended.

RENUKA HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTD)

NOTE 38 - INDUSTRY SEGMENT INFORMATION

	Agri Business Sector		Investment & Services Sector		Non Segment Adjustment		Group Total	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009 (Restated)	31.03.2010	31.03.2009	31.03.2010	31.03.2009 (Restated)
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Turnover								
Total	1,488,925,477	152,864,862	13,657,721	(1,673,977)	-	-	1,502,583,198	151,190,885
Intra Group	(26,237,795)	(14,643,204)	-	(541,886)	-	-	(26,237,795)	(15,185,090)
External	1,462,687,682	138,221,658	13,657,721	(2,215,863)	-	-	1,476,345,403	136,005,795
Realised Gain on Sale of Investment			72,298,941	4,374,492			72,298,941	4,374,492
Mark to Market value Adjustment			89,383,168	(29,320,763)			89,383,168	(29,320,763)
Profit / (Loss) before finance Cost	244,176,119	31,566,068	151,847,922	(30,337,736)			396,024,040	1,228,332
Finance Cost	(14,410,244)	(2,757,949)	(303,782)	(17,869)			(14,714,026)	(2,775,818)
Negative Goodwill written back	-	267,280,540	5,810,804	181,145,596			5,810,804	448,426,135
Profit / (Loss) before Taxation	229,765,875	296,088,659	157,354,943	150,789,991			387,120,818	446,878,649
Total Assets	1,196,031,900	1,718,922,927	1,552,181,546	992,514,911		(884,881,205)	2,748,213,446	1,826,556,633
Fixed Assets including								
Investment Property	379,523,734	498,986,934	662,403,158	444,920,643			1,041,926,892	943,907,577
Other Long Term Investment	-	-	224,463,942	224,463,922			224,463,942	224,463,922
Non Interest Bearing Liabilities								
Deferred taxation	18,767,145	23,968,481	8,149,024	-			26,916,169	23,968,481
Retirement Benefit Obligation	10,296,290	9,327,697	2,204,105	600,814			12,500,395	9,928,511
Trade and other payable	100,441,159	110,706,717	22,712,187	2,757,760			123,153,346	113,464,477

SHARE HOLDER'S INFORMATION

Stock Exchange Listing

The issued ordinary shares of Renuka Holdings PLC are listed on the Main Board of the Colombo Stock Exchange (CSE) in Sri Lanka.

Share Information

	2010		2009
	Voting	Non Voting	Voting
Total No of Shareholders	1452	418	145
Total No of Shares	43,750,000	6,250,000	7,500,000

Voting Shares

31 st March 2010				31 st March 2009		
No of Shares Held - Voting	No of Shareholders	No of Shares	%	No of Shareholders	No of Shares	%
1-1000	821	380290	0.87	124	26,537	0.35
1001-10,000	503	1,980,125	4.53	13	39,963	0.53
10,001-100,000	108	2,556,910	5.84	5	283,669	1.23
100,001-1,000,000	17	4,913,195	11.23	2	346,500	4.62
1,000,00 & Over	3	33,919,480	77.53	1	6,803,331	90.71
	1452	43,750,000	100	145	7,500,000	100

31 st March 2010				31 st March 2009		
Analysis of Shareholders – Voting	No of Shareholders	No of Shares	%	No of Shareholders	No of Shares	%
Individuals	1410	10,420,835	23.80	140	689,269	9.2
Institutions	42	33,329,165	76.18	5	6,810,731	90.8
Total	1452	43,750,000	100	145	7,500,000.00	100

31 st March 2010				31 st March 2009		
Analysis of Shareholders - Voting	No of Shareholders	No of Shares	%	No of Shareholders	No of Shares	%
Residence	1438	43,159,380	99.47	143	7,493,600	99.91
Non Residence	13	230,200	0.52	2	6,400	0.09
Non classified	1	420	01	-	-	-
Total	1452	43,750,000	100	145	7,500,000.00	100

Non Voting Shares

31st March 2010

No of Shares Held - Non Voting	No of Shareholders	No of Shareholders	%
1-1000	276	101,890	1.63
1001-10,000	113	393,130	6.29
10,001-100,000	27	687,550	11.00
100,001-1,000,000	1	211,660	3.39
1,000,001 & Over	1	4,855,770	77.69
Total	418	6,250,000	100

31st March 2010

Analysis of Shareholders – Non Voting	No of Shareholders	No of Shares	%
Individuals	401	1,272,015	20.35
Institutions	17	4,977,985	79.65
Total	418	6,250,000	100

31st March 2010

Analysis of Shareholders – Non Voting	No of Shareholders	No of Shares	%
Residence	417	6,249,000	99.98
Non Residence	1	1,000	0.02
Total	418	6,250,000	100

Public Share Holding

		Voting	Non Voting
The percentage of shares held by the public	2010	26.43 %	17.59
	2009	4.57%	-

Share Trading Information

1 st April to 31 st March	2009/2010		2008/2009
	Voting	Non Voting	Voting

Share Prices

Highest (Rs)	144.00	118.00 (prior to split)	59.75
Lowest (Rs)	25.00	21.00	40
As at 31 st March	26.75	21.50	47.50

Market Capitalization

As at 31 st March (Rs '000)	1,170,312,500	134,375,00	356,250,000
--	---------------	------------	-------------

No of Trades	3886	849	92
No of shares traded	10,456,400	1,126,100	28100
Value of shares traded (Rs)	307,128,575	30,046,875	1,352,850

Dividends

Proposed/paid final dividend (Rs)	40,000,000	15,000,000
	(0.80 cents per share)	(2.00 per share)

Top 20 Voting shareholders as at 31st March 2010

Name	No of Shares held 2010	%	No of Shares held 2009	%
Renuka Group Ltd	30,012,025	68.60	6,803,331	90.71
Capital Alliance Holdings Ltd	2,331,300	5.33	-	-
Mr S.V.Rajiyah	1,576,155	3.60	154,000	2.05
Sheikh Dawood	962,500	2.20	192,500	2.57
Mr L.Weinman	880,500	2.01	-	-
Mr S.N.C.Wanninakandegedara	637,500	1.46	-	-
Dr & Mrs S.R.Rajiyah	583,330	1.33	200,000	2.07
Mr M.M.Fuad	228,700	0.52	-	-
Mr G.Rajiyah	196,400	0.45	33,669	0.45
Mr D.J.N.Hettarachchie	150,005	0.34	-	-
Ms S.R.Rajiyah	145,830	0.33	25,000	0.33
Ms A.L.Rajiyah	145,830	0.33	25,000	0.33
Mr K.P.N.Sri Karunagoda	144,900	0.33	-	-
Mr K.C.Vignarajah	144,100	0.33	-	-
Greenstone Pvt Ltd	133,100	0.30	-	-
Waldock Mackenzie Ltd/ Hi Line Trading (Pvt) Ltd	122,000	0.28	-	-
Credit Suisse Singapore	120,000	0.27	-	-
Mr E.J.A.G.Fernando	112,500	0.26	-	-
Mr A.S.M.Ibrahim & Mrs F.S.Ibrahim	105,000	0.24	-	-
Mr K.H.R.Thilakarathna	101,000	0.23	-	-
TOTAL	38,832,675	88.74	7,433,500	96.54

Top 20 Non Voting shareholders as at 31st March 2010

Name	No of Shares held 2000	%
Renuka Group Ltd	4,855,770	77.69
Mr S.V.Rajiyah	211,660	3.39
Dr S.R.Rajiyah & Mrs I.R.Rajiyah	83,330	1.33
Mr R.K.Gopalapillai	64,000	1.02
Pan Asia Banking Corporation PLC/ Mr S.A.Alwis	62,100	0.99
Mrs H.M.Seneviratne	45,570	0.73
Mr D.F.G.Dalpethado	41,900	0.67
Mr K.C.Vignarajah	29,500	0.47
Mr G.Rajiyah	28,055	0.45
Rev T.M.Rajanayagam & Mrs J.Y.Villavarajah	22,000	0.36
Prime Lands (Pvt) Ltd	22,000	0.35
Mr T.Rodrigo	21,000	0.34
Ms S.R.Rajiyah	20,830	0.33
Miss A.L.Rajiyah	20,830	0.33
Mr R.S.P.Hewage	20,000	0.32
Mrs K.G.Galagoda	20,000	0.32
Mr M.D.Sarath	18,000	0.29
Mr R.A.Rishard	18,000	0.29
Mr L.M.L.De Silva	17,900	0.29
Mrs D.S.Mathew	17,000	0.27
TOTAL	5,639,445	90.23

NOTICE OF MEETING

Notice is hereby given that the 30th Annual General Meeting of the Company will be held at the Sri Lanka Foundation Institute No.100 Independence Square, Colombo 7 on the 27th of September 2010 at 4.00 p.m. for the following purposes.

1. To receive and consider the report of the Directors and the Statement of the Audited Financial Statement for the year ended 31st March 2010 with the report of the Auditors thereon.
2. Mr. P.C.K.Abeykoon who retires in terms of section 30 of the Article of Association.
3. IT IS HEREBY RESOLVED
To re-elect Mr C.J.De.S.Amaratunge who is 70 years of age as a director in terms of section 211 of the companies Act No.7 of 2007 and it is specifically declared that the age limit of 70 year referred to in section 210 of the Companies Act No.7 of 2007 shall not apply to the said C.J.De.S.Amaratunge
4. To declare a dividend of Cents 0.80 per share
5. To authorize the directors to determine the contribution to charity.
6. To re- appoint the auditors & authorize the Directors to determine their remuneration.

By Order of the Board

Sgd.

M.Sakthivel

Company Secretary

13th August 2010

NOTE:

- a) A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of the member, such proxy need to be a member.
- b) A form of proxy is enclosed to this report
- c) The completed form of proxy should be deposited at the registered office of the company, "Renuka House" 69 Sri Jinaratana Road, Colombo 2 on or before 2.00 p.m. on 25th being the time appointed for the holding of the meeting.

FORM OF PROXY

I/Weof
being a
 member/members of Renuka Holdings PLC, hereby appoint:

- Mrs. I.R.Rajiyah (or failing her)
- Dr S.R.Rajiyah (or failing him)
- Mr P.C.K.Abeykoon (or failing him)
- Mr L.M.Abeywickrama (or failing him)
- Mr S.V.Rajiyah (or failing him)
- Mr C.J.De.S.Amaratunga (or failing him)
- Mr M.S.Dominic (or failing him)

.....(NIC No.....) of
as my/our proxy to
 represent me/us and to speak and to vote on my/our behalf at the Annual General Meeting of the
 Company to be held on.....2010 and at any adjournment thereof and at every poll
 which may be taken in consequence thereof.

		For	Against
01	To receive & consider the report of the Directors and the Statement of the Audited Financial Statements for the year ended 31 st March 2010 with the report of the Auditors thereon		
02	Mr. P.C.K.Abeykoon who retires in terms of section 30 of the Article of Association.		
03	To re-elect Mr. C.J.De.S.Amaratunge		
04	To declare a dividend of Cents 0.80 per share		
05	To authorize the directors to determine the contribution to charity.		
06	To re- appoint Kreston MNS & Co. as auditors & authorize the Directors to determine their remuneration		

Dated this.....day of2010

.....
Signature of Shareholder

- (a) A proxy need to be a member of the Company
- (b) Instructions regarding completion appear overleaf

INSTRUCTIONS AS TO COMPLETION OF THE FORM PROXY

1. To be valid, the completed form of proxy should be deposited at the Registered Office of the Company at “Renuka House” No.69 Sri Jinaratana Road, Colombo 2, not less than 48 hours before the time of the meeting.
2. In perfecting the form of proxy, please ensure that all the details are legible.
3. Please indicate with an “X” in the space provided how your proxy to vote on each resolution. If no indication is given the proxy, in his discretion, will vote, as he thinks it.
4. In the case of a Company/Corporation, the proxy must be under its Common Seal which should be affixed and attested in the manner prescribed by its Articles of Association.
5. In the case of a proxy signed by the Attorney, the Power of Attorney must be deposited at the Registered Office at “Renuka House” No.69 Sri Jinaratana Road, Colombo 2, for registration.

CORPORATE INFORMATION

Name of Company

Renuka Holdings PLC

Registration No. PQ 227

Legal Form

Quoted public company with limited liability

Board of Directors – Company

Mrs. I.R.Rajiyah

Dr S.R.Rajiyah

Mr C.J.De.S.Amaratunga

Mr P.C.K.Abeykoon

Mr S.V.Rajiyah

Mr L.M.Abeywickrama

Mr M.S.Dominic

Board of Directors – Group

(not inclusive of above Directors)

Mr S.Vasanth Kumara

Mr W.Rajapakshe

Mr J.Brennan

Mr M.Terfloth

Mr M.Witsenburg

Ms S.R.Thambiyah

Mr T.G.Hockley

Company Secretary

Mr M.Sakthivel

Registrars

Secretaries & Registrars Ltd

32 A Sri Mohamed Macan Markar Mawatha,

Colombo 3

Registered Office

“Renuka House”

No.69 Sri Jinaratana Road, Colombo 2

Telephone:0094-11-2314750-5

Fax: 2445549

Email: info@renukagroup.com

Postal Address

P.O.Box 25 Colombo

Stock Exchange Listing

Colombo Stock Exchange

Investment Committee

Dr S.R.Rajiyah

Mrs. I.R.Rajiyah

Mr S.V.Rajiyah

Mr L.M.Abeywickrama

Audit Committee

Mr P.C.K.Abeykoon

Mr C.J.De.S.Amaratunge

Mr L.M.Abeywickrama

Remuneration Committee

Mr C.J.De. Amaratunge

Mr L.M.Abeywickrama

Auditors

Kreston MNS & Co

Chartered Accountant

Legal Consultants

Dissanayake & Amaratunge Associates

Attorney at Law

Bankers

National Development Bank PLC