



World Class Possibilities

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VISION

To be a leading Investment Trust in Sri Lanka.

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 group 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.



Coco Lanka PLC

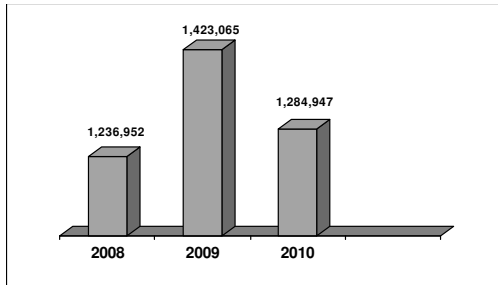
FINANCIAL HIGHLIGHTS

YEAR ENDED 31ST MARCH

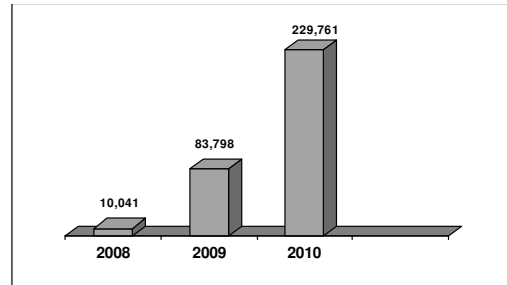
	2010	2009	2008
Trading Results			
Turnover (Rs 000's)	1,284,947	1,423,065	1,236,952
Profits before Income Tax (Rs 000's)	287,543	144,132	11,817
Profits attributable to equity shareholders (Rs 000's)	229,761	83,798	10,041
Ordinary Dividend - Gross (Rs 000;s)	23,400	12,600	-
Balance Sheet Highlights			
Total Assets (Rs 000's)	1,653,752	940,349	1,019,377
Total Equity (Rs 000's)	1,408,295	611,404	474,873
Key Ratios			
Gearing %	1.49	12.46	18.71
Return on Average Shareholders Funds (%)	24.26	19.97	2.98
Return on Average Total Capital (%)	19.81	21.13	2.76
Share Information			
Net Asset Value Per Share (Rs)	40.42	33.29	26.70
Dividends Per Share (Rs)	1.00	1.00	-
Earnings Per Share (Rs)	15.92	6.11	1.21
Market Price Per Share at the year end (Rs)			
Voting	41.00	18.00	23.25
Non-Voting	31.50	-	-
Number of Shares (Rs 000's)			
Voting	21,600	12,600	12,600
Non-Voting	1,800	-	-
Market Capitalization (Rs 000's)	942,300	226,800	292,950
P/E Ratio (x)			
Voting	2.58	2.95	19.21
Non-Voting	1.98	-	-

Coco Lanka PLC

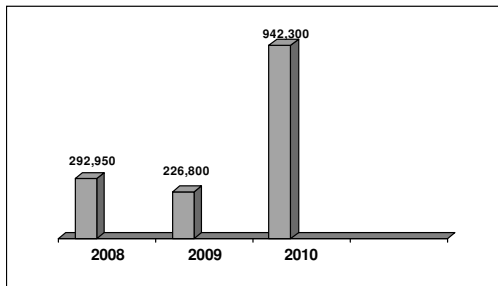
PERFORMANCE GRAPHICAL VIEW



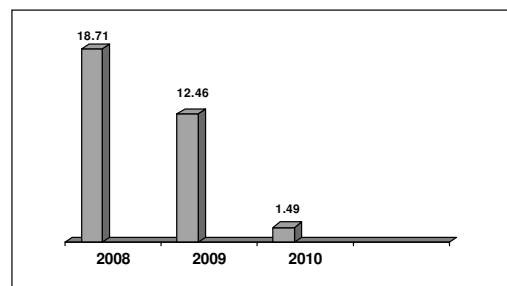
Turnover over 3 years (Rs.Mn)



Profits attributed to Equity Shareholders over 3 years (Rs.Mn)



Market capitalization over 3 years (Rs.Mn)



Gearing Ratio over 3 years (Rs.Mn)

DIRECTORS' PROFILE

Dr. S. R. Rajiyah Executive Chairman

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.

Mrs. I. R. Rajiyah Executive Director

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.

Mr. C. J. De S. Amaratunga 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 Conveyancing 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 S.Vasantha Kumara Executive Director

He is Bachelor of Engineering (Mechanical) from India. He counts over 20 years in running factories. He has been attached to Renuka group since 1997.

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.

CHAIRMAN'S REVIEW

Dear Shareholders,

On behalf of the Board of Directors I am pleased to present the 20th Annual Report of Coco Lanka PLC for the financial year ended 31st March 2010.

Today we are an investment company with a strong presence in the Agri Business sector of the country.

Group Performance

The turnover of the Group was Rs 1,285 million for the year ended 31st March 2010. The net profit for the Group stood at Rs 279.4 million compared to Rs 129.2 million in the previous year. The total Group reserves stood at Rs 1,408.3 million of which Rs. 947.05 million was attributable to the shareholders of Coco Lanka PLC as against 419.5 million as at 31st March 2009. The net asset per share was Rs 40.47 as at 31st March 2010 after the successful completion of a rights issue of voting and non voting shares.

The companies' subsidiaries are engaged in plantations, manufacturing and marketing agriculture products. Renuka Agri Foods PLC, a subsidiary was listed on the Colombo Stock Exchange in January 2010. Its Initial Public Offering was twelve times over subscribed on opening day demonstrating the public confidence on the organization. As can be seen with our subsidiary companies we have entered into partnerships with our existing clients to create an integrated value chain from raw material to the end customer which will benefit the group in the long term.

During the year the company continued investing in shares listed on the Colombo Stock Exchange while the group continued to invest in property, plant and equipment. Our continued investments reflect the confidence that we have in the strength of our business model.

Future Direction

The company is an investment trust and we are exploring acquisitions focusing mainly on the agriculture, food and beverage sectors. However we are mindful of valuations and will only acquire at the right price to our shareholders. In an euphoric market like ours at the moment sellers often ask for unrealistic multiples and if this be the case we will be patient and or pursue the route of organic growth.

Acknowledgment

I wish to express my sincere appreciation to all our employees and my fellow directors for their assistance and co-operation given to me and also thank our customers, bankers, suppliers, shareholders and principals for their continued patronage and support.

Sgd.

Dr S.R.Rajiyah

Chairman

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 three independent Directors and three Non Executive 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 7.

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 KPMG Ford Rhodes Thornton & Co, Chartered Accountants, as the external auditors to the Board of Directors for the ensuring 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

REPORT OF THE BOARD OF DIRECTORS

General

The Directors of Coco Lanka PLC have the pleasure in submitting their 20th 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 Chairman'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 is an investment company for Agricultural ventures

Dividend

The Board of Directors have recommended a payment of a first & final dividend of Rs.1/= per share payable for 2009/2010. (2008/2009 dividend as Rs.1/= per share)

The total value of Rs 1/= per share distributed to shareholders comprises Rs.0.94 of tax free dividends received by the company and 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 under corporate information.

In accordance with the Articles of Association Mr. P.C.K.Abeykoon retires in terms of Article 30 of the Articles of Association of the company and is not seeking re-election. Mr. C.J. De S. Amaratunge retires in terms of section 211 of companies Act No.7 of 2007 and is eligible for re-election with the unanimous support of the Board.

Directors Shareholding

	2010		2009
	Voting	Non Voting	
Dr S.R.Rajiyah	1488	124	868
Mrs I.R.Rajiyah	270	22	158
Dr & Mrs S.R.Rajiyah (Jt)	36	3	417,921
Mr C.J.De.S.Amaratunge	12,205	285	1,000
Mr S.V.Rajiyah	65,546	2857	20,000

Accounting Policies

The accounting policies adopted in the preparation of the financial statements are given on pages 17 to 28. There have been no changes in the accounting policies adopted by the company during the year under review.

Directors' Interest in Contract

The Directors have made the declarations required by the Companies Act No 7 of 2007. These have been entered into Interest Register which is maintained by the company.

The company carries out transactions in the ordinary course of business with entities in which a Director of the company is a Director. The transactions with entities where a Director of the company either has control or exercises significant influence, have been classified as related party transactions and disclosed in note 32 to the financial statements.

Statutory Payments

The Directors are satisfied that all statutory payments in relation to employees and to the 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.07

Remuneration Committee

The following Non Executive Directors of the Board are members of the Remuneration Committee Mr C.J.De.S.Amaratunge and Mr L.M.Abeywickrema. Details are given on page No. 07

Corporate Governance

Systems & procedures are in place as good corporate governance is an important component in the corporate culture. Details are given on page No.06

Revenue

The revenue of the group was Rs 1,284,947,902.

Major holdings

The twenty major shareholders as at 31st March 2010 are given on page No.47

Stock market information

Information relating to earnings, dividend net asset per share & share trading are given on page No.45 and 46

Auditors

Messrs KPMG Ford Rhodes & Thornton & Co have signified their willingness to continue in office are recommended for re-appointment

The fees paid to Auditors are disclosed in note 06 to the financial statements. As far as Directors are aware, the Auditors do not have any relationship (other than that of an Auditor) with the Company or subsidiaries.

Notice of Meeting

The notice of meeting of the 20th .Annual General Meeting is given No.48

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' RESPONSIBILITY

The Companies 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 in accordance with the Sri Lanka Accounting Standards and provide the information required by the Companies Act.

M/s KPMG Ford Rhodes & Thornton & 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 12)

Considering the present financial position of the Group 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 judgment 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

13th August 2010



KPMG Ford, Rhodes, Thornton & Co.
(Chartered Accountants)
32A, Sir Mohamed Macan Markar Mawatha,
P. O. Box 186,
Colombo 00300,
Sri Lanka.

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+94 - 11 542 6426
Fax : +94 - 11 244 5872
+94 - 11 244 6058
+94 - 11 254 1249
+94 - 11 230 7345
Internet : www.lk.kpmg.com

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF COCO LANKA PLC

Report on the Financial Statements

We have audited the accompanying financial statements of Coco Lanka PLC, and the consolidated financial statements of the Company and its subsidiaries as at 31 March 2010 which comprise the balance sheet as at 31 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, as set out on pages 13 to 44 of the Annual Report.

Management's Responsibility for the Financial Statements

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

Scope of Audit and Basis of Opinion

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

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

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

Opinion - Company

In our opinion, so far as appears from our examination, the Company maintained proper accounting records for the year ended 31 March 2010 and the financial statements give a true and fair view of the Company's state of affairs as at 31 March 2010 and its profit and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Opinion - Group

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs as at 31 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 concerns the shareholders of the Company.

Report on Other Legal and Regulatory Requirements

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

CHARTERED ACCOUNTANTS
13th August 2010,
Colombo.

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

A.N. Fernando FCA
Ms. M. P. Perera FCA
T.J.S. Rajakarier FCA
Ms. S.M.B. Jayasekara ACA

S. Sirikananathan FCA
P.Y.S. Perera FCA
W.W.J.C. Perera FCA
W.K.D.C. Abeyratne ACA

M.R. Mihular FCA
C.P. Jayatilake FCA
Ms. S. Joseph ACA
S.T.D.L. Perera FCA

COCO LANKA PLC
INCOME STATEMENT

For the year ended 31 March	Note	Group		Company	
		2010 Rs.	2009 Rs.	2010 Rs.	2009 Rs.
Continuing Operations					
Revenue	3	1,284,947,902	1,423,064,879	27,047,900	625,000
Cost of Sales		(889,726,163)	(1,086,020,241)	-	-
Gross Profit		395,221,739	337,044,638	27,047,900	625,000
Other Income	4	36,655,656	13,928,645	12,901,407	290,310
Administrative Expenses		(127,480,858)	(120,781,373)	(6,132,864)	(1,558,729)
Selling and Distribution Expenses		(67,960,973)	(48,541,733)	-	-
Other Expenses		(20,648,012)	(9,956,996)	-	-
Finance Cost	5	(10,589,484)	(31,234,742)	(147,879)	(88,813)
Negative Goodwill on Acquisition		-	3,674,202	-	-
Profit from Deemed Disposal of a Subsidiary		82,345,307	-	-	-
Profit from Disposal of Property Plant & Equipment		-	-	-	49,366,345
Profit before Taxation	6	287,543,375	144,132,640	33,668,564	48,634,112
Taxation	7	(8,130,649)	(14,920,578)	(84,453)	(10,945,390)
Profit for the year from Continuing Operations		279,412,726	129,212,062	33,584,111	37,688,722
Loss for the Year from Discontinuing Operations	8	-	-	-	(35,039,213)
Profit for the Year		279,412,726	129,212,062	33,584,111	2,649,509
Minority Interest		(49,651,572)	(45,414,265)	-	-
Profit for the year		229,761,153	83,797,797	33,584,111	2,649,509
Earnings/(Loss) per Share					
	9				
Profit from Continuing Operations		15.92	6.11	2.33	2.75
Loss from Discontinuing Operations		-	-	-	(2.55)
		15.92	6.11	2.33	0.19

The Notes form an integral part of these Financial Statements.

Figures in brackets indicate deductions.

COCO LANKA PLC
BALANCE SHEET

<i>As at 31 March</i>	Note	Group		Company	
		2010 Rs.	2009 Rs.	2010 Rs.	2009 Rs.
ASSETS					
Non-Current Assets					
Property, Plant & Equipment	10	546,292,446	489,975,578	728,547	1,490,193
Investment Properties	11	55,089,160	-	92,735,900	92,735,900
Long Term Investments	12	-	-	386,305,000	341,305,000
Goodwill	13	30,225,305	28,706,300	-	-
		<u>631,606,911</u>	<u>518,681,878</u>	<u>479,769,447</u>	<u>435,531,093</u>
Current Assets					
Inventories	14	228,583,606	171,154,755	-	-
Trade and Other Receivables	15	183,223,134	143,908,032	16,340,225	17,914,246
Amounts due from Related Companies	16	37,647,151	14,472,728	55,083,720	5,043,961
Short Term Investments	17	48,400,000	-	48,400,000	-
Cash and Cash Equivalents	18	524,291,326	92,132,341	233,828,857	2,675,260
		<u>1,022,145,217</u>	<u>421,667,856</u>	<u>353,652,801</u>	<u>25,633,467</u>
Total Assets		<u>1,653,752,128</u>	<u>940,349,734</u>	<u>833,422,249</u>	<u>461,164,560</u>
EQUITY AND LIABILITIES					
Capital and Reserves					
Stated Capital	19	552,074,972	192,074,972	552,074,972	192,074,972
Reserves	20	73,185,107	73,185,107	-	-
Retained Earnings		321,786,354	154,196,012	205,238,850	184,415,478
Shareholders' Fund		<u>947,046,433</u>	<u>419,456,091</u>	<u>757,313,822</u>	<u>376,490,450</u>
Minority Interest		461,249,049	191,948,122	-	-
Total Equity		<u>1,408,295,482</u>	<u>611,404,213</u>	<u>757,313,822</u>	<u>376,490,450</u>
Non Current Liabilities					
Deferred Tax Liability	21	26,916,169	23,968,481	8,149,024	8,064,571
NDB Project Loan	22	-	684,000	-	684,000
Term Loan Payable after One Year	23	17,100,774	54,715,397	-	-
Debenture	24	-	-	-	-
Lease Rental Payable after One Year	25	71,473,744	71,323,117	-	-
Retirement Benefit Obligations	26	9,673,753	8,170,014	556,049	539,379
		<u>125,164,440</u>	<u>158,861,009</u>	<u>8,705,073</u>	<u>9,287,950</u>
Current Liabilities					
Trade and Other Payables	27	99,032,931	96,946,050	18,107,248	20,398,651
NDB Project Loan	22	684,616	1,368,000	684,616	1,368,000
Term Loan Payable within One Year	23	3,527,996	30,276,867	-	-
Lease Rental Payable within One Year	25	2,194,473	2,167,271	-	-
Amounts due to Related Companies	28	491,007	1,420,569	47,207,012	52,309,163
Dividend Payable	29	1,955,920	1,633,838	1,280,920	958,838
Short Term Loan		2,715,383	18,369,841	-	-
Bank Overdraft	18	9,689,880	17,902,077	123,558	351,508
		<u>120,292,206</u>	<u>170,084,512</u>	<u>67,403,354</u>	<u>75,386,160</u>
Total Liabilities		<u>245,456,646</u>	<u>328,945,521</u>	<u>76,108,427</u>	<u>84,674,109</u>
Total Equity & Liabilities		<u>1,653,752,128</u>	<u>940,349,734</u>	<u>833,422,249</u>	<u>461,164,560</u>
Net Assets per Share		40.47	33.29	32.36	29.88

The Notes form an integral part of these Financial Statements.

Figures in brackets indicate deductions

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

Sgd.

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 for and on behalf of the Board of Directors of Coco Lanka PLC;

Sgd.

Dr. S.R.Rajiyah
Chairman

Sgd.

Mr. C.J.De S. Amaratunge
Director

13th August 2010
Colombo.

COCO LANKA PLC

STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs.	Revaluation Reserve Rs.	Retained Earnings Rs.	Minority Interest Rs.	Total Equity Rs.
Group					
Balance as at 01 April 2008	192,074,972	73,185,107	71,190,671	138,422,950	474,873,700
Redemption of Preference Shares	-	-	-	(18,750,000)	(18,750,000)
Adjustment due to changes in holding percentag	-	-	396,781	25,671,671	26,068,452
Net Profit for the Year	-	-	83,797,797	45,414,265	129,212,062
Negative Minority Interest elimination	-	-	(1,189,237)	1,189,237	-
Balance as at 31 March 2009	<u>192,074,972</u>	<u>73,185,107</u>	<u>154,196,012</u>	<u>191,948,122</u>	<u>611,404,213</u>
Share issued during the year					
9 Mn No of Shares @Rs 35	315,000,000	-	-	-	315,000,000
1.8 Mn No of Shares @ Rs 25	45,000,000	-	-	-	45,000,000
Adjustments due to changes in Holding Percentages	-	-	(47,486,819)	225,013,602	177,526,783
Profit for the year	-	-	229,761,153	49,651,572	279,412,726
Dividend	-	-	(12,760,740)	(7,287,500)	(20,048,240)
Negative Minority Interest elimination	-	-	(1,923,252)	1,923,252	-
Balance as at 31 March 2010	<u>552,074,972</u>	<u>73,185,107</u>	<u>321,786,354</u>	<u>461,249,049</u>	<u>1,408,295,482</u>
Company					
Balance as at 1 April 2008	192,074,972	73,185,107	108,580,862	-	373,840,941
Loss from Discontinued Operations	-	-	(35,039,213)	-	(35,039,213)
Transfers	-	(73,185,107)	73,185,107	-	-
Profit from Continued Operations	-	-	37,688,722	-	37,688,722
Balance as at 31 March 2009	<u>192,074,972</u>	<u>-</u>	<u>184,415,478</u>	<u>-</u>	<u>376,490,450</u>
Share issued during the year					
9 Mn No of Shares @ Rs 35	315,000,000	-	-	-	315,000,000
1.8 Mn No of Shares @ Rs 25	45,000,000	-	-	-	45,000,000
Profit for the year	-	-	33,584,111	-	33,584,111
Dividend	-	-	(12,760,740)	-	(12,760,740)
Balance as at 31 March 2010	<u>552,074,972</u>	<u>-</u>	<u>205,238,850</u>	<u>-</u>	<u>757,313,822</u>

The Notes form an integral part of these Financial Statements.

Figures in brackets indicate deductions.

COCO LANKA PLC

CASH FLOW STATEMENT

	Group		Company	
	2010 Rs.	2009 Rs.	2010 Rs.	2009 Rs.
For the year ended 31st March				
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before Taxation	287,543,375	144,132,640	33,668,564	48,634,112
Adjustments for :				
Depreciation & Amortization	40,437,704	37,984,008	761,646	4,832,140
Provision for Retiring Gratuity	2,185,421	294,614	574,377	(2,149,221)
Gain on Increase the Market value of Investments	(11,421,596)	-	(11,421,596)	-
Profit on Deemed Disposal of Subsidiary	(82,345,307)	-	-	-
Provision for Slow Moving Items	1,777,849	-	-	-
Immature Plantations Written Off	325,483	-	-	-
Interest Provided	10,589,484	31,234,746	147,879	2,010,036
Loss for the Year from Discontinuing Operations	-	-	-	(35,039,213)
Profit on disposal of Property, Plant & Equipment	-	-	-	(49,366,345)
Operating profit before working capital changes	249,092,413	213,646,008	23,730,870	(31,078,492)
(Increase)/Decrease in Inventories	(59,206,700)	64,851,889	-	51,459,456
(Increase)/Decrease in Trade & Other Receivables	(39,315,102)	(37,360,007)	1,574,021	(2,454,467)
(Increase)/Decrease in Amount due from Related Companies	(23,174,423)	45,586,269	(50,039,758)	4,050,387
(Decrease) / Increase in Trade & Other Payables	4,593,957	20,669,040	(2,291,403)	6,637,908
(Decrease) / Increase in Amount due to Related Companies	(929,562)	(6,169,128)	(5,102,151)	50,286,046
Cash Generated from/(Used in) Operations	131,060,582	301,224,071	(32,128,421)	78,900,837
Interest Paid	(10,589,484)	(31,234,746)	(147,879)	(2,010,036)
Gratuity Paid	(702,432)	(216,885)	(557,707)	(174,000)
Taxation Paid	(19,316,199)	(1,354,631)	-	(103,535)
Net Cash Generated from / (Used in) Operating Activities	100,452,467	268,417,810	(32,834,007)	76,613,267
CASH FLOW FROM INVESTING ACTIVITIES				
Addition to Property, Plant & Equipment	(97,080,057)	(8,617,501)	-	-
Addition to Investment Properties	(55,089,160)	-	-	-
Addition to Long term Investments	-	-	(45,000,000)	(115,800,000)
Addition to Short term Investments	(36,978,404)	-	(36,978,404)	-
Sales Proceeds from Disposal of Property, Plant & Equipment	-	-	-	64,853,907
Sales Proceeds of Investments	-	75,600	-	21,000,020
Net Cash used in Investing Activities	(189,147,621)	(8,541,901)	(81,978,404)	(29,946,073)
CASH FLOW FROM FINANCING ACTIVITIES				
Lease Rental Paid/(Received)	177,829	(2,138,828)	-	-
Proceeds from Borrowings	16,523,039	(201,790,389)	-	(51,178,542)
Repayment of Borrowings	(80,886,533)	-	-	-
Repayment of Short Term Loans	(15,654,458)	-	-	-
Redemption of Debentures	-	(20,000,000)	-	(10,000,000)
Repayment of NDB Loan	(1,367,384)	(1,368,000)	(1,367,384)	(1,368,000)
Dividends paid to Equity Holders	(12,438,658)	-	(12,438,658)	-
Dividends paid to Minority Holders	(7,287,500)	-	-	-
Proceeds from Share Issue	630,000,000	-	360,000,000	-
Net Cash Generated from / (used in) Financing Activities	529,066,335	(225,297,217)	346,193,958	(62,546,542)
Net Increase/(Decrease) in Cash & Cash Equivalents	440,371,181	34,578,691	231,381,548	(15,879,348)
Cash & Cash Equivalents at the Beginning of the Period	74,230,265	39,651,573	2,323,751	18,203,100
Cash & Cash Equivalents at the End of the Period (Note 18)	514,601,446	74,230,264	233,705,299	2,323,752

The Notes form an integral part of these Financial Statements.

Figures in brackets indicate deductions.

COCO LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

1.1 General

The consolidated financial statements of Coco Lanka Plc, comprise a Consolidated financial statements of the company and its subsidiaries in terms of Sri Lanka Accounting Standard No 26. The Financial Statements are authorized for issue by the directors on 13th August 2010.

1.2 Domical and Legal form

Coco Lanka Plc is a quoted public company incorporated and domiciled in Sri Lanka. The registered office of the company is located No 69, Sri Jinarathana Road, Colombo 2.

1.3 Principal Activities and the Nature of Business

The Principal activities of the company up to 31st December 2008 was manufacturing and marketing of agriculture products and with effect from 1st January 2009 the principle activity is investment in agricultural ventures.

1.4 Parent Enterprise and Ultimate Parent Enterprise.

The Company's immediate parent is Renuka Agro Exports (Pvt) Ltd and ultimate parent entity is Renuka Holdings PLC, which are incorporated in Sri Lanka.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 General Policies

2.1.1 Statement of compliance and Basis of Preparation

The Balance Sheet, Income Statement, Cash Flow Statement, Statement of Changes in Equity and Notes ("Financial Statements") of the Group are prepared in accordance with the Sri Lanka Accounting standards laid down by the Institute of Chartered Accountants of Sri Lanka(ICASL) and comply with the requirements of Companies Act No.7 of 2007 The Financial Statements are presented in Sri Lankan rupees and on the historical cost convention other than properties and Investment property of the Group which is stated at Fair Value.

2.1.2 Comparative Information

The Accounting Policies have been consistently applied by the Company and are consistent with those of the previous year and the previous year's figures and phrases have been rearranged wherever necessary to conform to the current year's presentation.

COCO LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS

2.1.3 Functional & presentation currency

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

2.1.4 Translation of Foreign Currency

2.1.4.1 Transactions arising in foreign currencies are converted into Sri Lankan Rupees at the exchange rate prevailing at the date of transaction.

2.1.4.2 Assets and Liabilities in foreign currencies are translated into Sri Lankan Rupees at the appropriate exchange rate prevailing at the Balance Sheet date. The resulting gains or losses are dealt with in the Income Statement.

2.1.5 Tax

2.1.5.1 Current Taxes

The provision for Income Tax is based on the elements of income and expenditure as reported in the Financial Statements. The liability for taxation is computed according to the provisions of the Inland Revenue Act No. 10 of 2006 and subsequent amendments thereto. (Refer Note No: 7 for further details.)

2.1.5.2 Deferred Taxation

Deferred Tax is provided using the Balance Sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rate that is expected to be applied to the temporary difference when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A Deferred Tax asset is recognized to the extent that it is probable that future taxable profits will be available against which such temporary difference can be utilized. Deferred Tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

2.1.5.3 Economic Service Charges

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 income tax liability. Any unclaimed liability can be carried forward and set-off against the income tax payable as per the relevant provisions of the Act.

COCO LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS

2.1.5.4 Social Responsibility Levy (SRL)

As per the provisions of the Finance Act No. 5 of 2005, as amended by the Finance Act No. 11 of 2006, and the amendment Act no.13 of 2007. SRL was introduced with effect from 1st January 2005. SRL is payable at rate of 1.5% on all taxes and levies chargeable as specified in the First schedule of the Act.

2.1.6 Borrowing Cost

All Borrowing Costs are recognized as an expense in the period in which they are incurred. The amount of borrowing costs eligible for capitalization is determined in accordance with "SLAS 20 Borrowing Costs".

2.1.7 Events Occurring After the Balance Sheet Date

All material events occurring after the Balance Sheet date are considered and where appropriate, adjustments to or disclosures have been made in the Financial Statements.

2.1.8 Going Concern

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

2.1.9 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.

2.1.10 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, and the requirements of the Companies Act No.7 of 2007.

COCO LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS

2.1.11 Changes in Accounting Policies

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

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

2.1.12.1 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 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.

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.

The Company is currently in the process of evaluating the potential effect those standards and the impact of the above requirement has not been quantified as at the Balance Sheet date.

2.1.12.2 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.

COCO LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS

2.1.13 Group Consolidation Policy

2.1.13.1 The Financial Statements of the Group represents the consolidation of the Financial Statements of the Company and of its subsidiaries listed below,

- Renuka Agri Foods PLC
- Renuka Organics (Pvt) Ltd
- Renuka Teas (Ceylon) (Pvt) Ltd
- Kandy Plantations Ltd
- Renuka Witsenburg Organics(Pvt) Ltd
- Campbell Teas (Pvt) Ltd

Subsidiaries acquired during the year

- Renuka Trading (Pvt) Ltd
- Ceylon Forestry (Pvt) Ltd
- Ceylon Botanicals (Pvt) Ltd

2.1.13.2 Subsidiaries

Subsidiaries are those entities controlled by the Group. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. The profits and losses of the Subsidiaries are included in the Consolidated Income Statement from the date on which the subsidiaries were acquired, and the proportion of the income after taxation pertaining to outside shareholders is represented in the Consolidated Income Statement as Minority Interest.

2.1.13.3 All assets and Liabilities of the Company and of its Subsidiaries are included in the Consolidated Balance Sheet. The interest of outside shareholders in the net assets of the Group are indicated separately in the Consolidated Balance Sheet under the heading Minority Interest.

2.2 ASSETS AND BASES OF THEIR VALUATION

2.2.1 Property, Plant & Equipment

2.2.1.1 Property, Plant & Equipment is stated at cost /valuation less accumulated depreciation.

2.2.1.2 The cost of Property, Plant & Equipment is the cost of acquisition or construction together with any incidental expenses thereon.

COCO LANKA PLC

NOTES TO THE FINANCIAL STATEMENTS

2.2.1.3 Expenditure incurred for the purpose of acquiring, extending or improving of a permanent nature by means of which to carry on the business or to increase the earning capacity of the business have been treated as capital expenditure.

2.2.1.4 When the Land and Building has been subsequently revalued the resultant surplus has been credited to the revaluation reserve. The revalued amount is the market value of the assets as determined by an independent qualified valuer on the date of valuation.

2.2.2 Premium paid on leasehold land

The premium paid by the subsidiary for leasehold land represents pre paid rental charges which are amortized over 50 years, commencing from the second year of operation.

2.2.3 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 capitalized on the immature areas. The remaining portion of the general charges is expensed in the accounting period on which it is incurred.

The cost of the immature coming in to bearing are transferred to mature plantation and depreciated over their useful life period.

2.2.4 Impairment

An impairment loss is recognized if the carrying amount of an asset or its cash generating unit exceeds its recoverable amounts. A cash generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognized in the income statement.

The recoverable amount of an asset or cash generating unit is the greater of its use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets or cash generating unit.

2.2.5 Revaluation of Property, Plant & Equipment

Freehold lands of the Group are revalued when there is a substantial distinction between the fair value (market value) and the carrying value of the asset in every five years. As a result of revaluation if the carrying amount is increased, the increased amount is credited to equity under the heading of revaluation reserves on revaluation of Property, Plant & Equipment.

COCO LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS

When an asset's carrying amount is decreased as a result of revaluation the decrease is recognized as an expense unless it reverse a previous increment relating to that asset. In which case, it is charged against any related revaluation surplus in respect of that same asset.

Any balance remaining in the revaluation surplus in respect of an asset is transferred directly to accumulated profit on retirement or disposal of the asset.

2.2.6 Depreciation

4.2.1 Depreciation is not charged on Land. Depreciation on all other Property, Plant & Equipment is provided on the straight line basis to write off the cost/valuation over their estimated useful lives. The annual rates used for this purpose which are consistent with those of the previous year are:

	<u>%</u>
Buildings	2.5
Motor Vehicles	20
Plant, Machinery & Others	10
Office Equipment	10

2.2.7 Depreciation of an asset acquired after 1st January 2006 begins when it is available for use whereas depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognized.

2.2.8 Investment Property

2.2.8.1 Classification

The land and buildings held to earn rental income or for capital appreciation are classified as investment properties.

2.2.8.2 Valuation

Investment properties are measured at fair value. Gains and losses arising from changes in fair value are included in the income statement in the year which they arise.

Fair value of the investment property will be determined once in every 3 year on the basis over valuation by an independent valuer while the annual fair value of the investment property will be carried out by an entity's Board of Directors.

However, if market conditions change in such a way where the Directors of the Company are unable to carry out a reasonable valuation, a valuation of an independent valuer will be obtained for that year.

COCO LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS

Investment properties are derecognized when disposed of, or permanently withdrawn from use because no future economic benefits are expected. Any gains or losses retirement or disposal is recognized in the income statement in the year of retirement or disposal. Transfers are made to and from investment property only when there is a change in use in accordance with the criteria listed in SLAS 40.

2.2.9 Intangible Assets

2.2.9.1 Goodwill

Goodwill represents the excess of the cost of acquisition over the fair value of Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition.

Goodwill is tested for impairment annually.

If the cost of acquisition is less than the fair value of the net asset of the subsidiary acquired, the difference is recognized immediately in the income statement.

2.2.10 Inventories

2.2.10.1 Inventories have been valued at the lower of cost and net realizable value after making due allowance for obsolete and slow moving items. Net realizable value is the price at which inventories can be sold in the normal course of business after allowing for cost of realization and /or cost of conversion from their existing state to salable condition.

The cost of each category of inventory of the Company and its subsidiary are determined on the following basis.

2.2.10.2 Raw Material & Consumables at the factory are ascertained on a First In First Out basis.

2.2.10.3 Finished Goods are valued at Factory Cost which includes an appropriate portion of Production Overheads.

2.2.10.4 Goods-in-Transit are valued at actual Cost.

2.2.10.5 Harvested Crops

Inventory of harvested crop since sold has been valued at since realized price. Unsold harvested crop has been valued at estimated realizable value net of direct selling expenses. This basis has been adopted to recognize the profit /loss on perennial crops in the financial period of harvesting.

COCO LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS

2.2.11 Debtors & Other Receivables

Debtors & Other Receivables are stated at the amounts estimated to realize less provisions for impairment.

2.2.12 Investments

2.2.12.1 Long Term Investments

Quoted and unquoted 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 cost at 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.

2.2.12.2 Short Term Investments

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

2.2.13 Cash & Cash Equivalents

2.2.13.1 Cash and Cash Equivalents are defined as cash in hand, demand deposit in bank and short term highly liquid investments, readily convertible to known amounts of cash and subject to insignificant risk of change in value.

2.2.13.2 For the purpose of Cash Flow Statement, Cash and Cash Equivalents consist of Cash in hand; Short term Deposits in banks net of Bank Over Drafts.

2.2.13.3 Interest paid and received are classified as operating cash flows, dividend received are classified as investing cash flows while dividend paid are classified as financing cash flows for the purpose of presentation of Cash Flow Statement, reported based on the indirect method.

2.3 LIABILITIES AND PROVISIONS

2.3.1 Employee Benefit Cost

2.3.1.1 Defined Benefit Plan -

A defined benefit plan is a post employment benefit plan other than a defined contribution 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.

COCO LANKA PLC

NOTES TO THE FINANCIAL STATEMENTS

The defined benefit obligation is calculated annually by independent actuaries using Projected Unit Credit Method (PUC) as recommended by SLAS – 16 (Revised 2006), 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.

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.

2.3.1.2 Defined Contribution Plans-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.

2.3.2 Bills Payables

The Company account for the liability on receipt of documents for clearance.

2.3.3 Provisions

Provisions are recognized when the company has a legal or constructive obligation as a result of past events and it is probable that an outflow of economic benefits will be required to settle the obligation.

2.3.4 Grants

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

2.4 INCOME STATEMENT

2.4.1 Turnover

The turnover of the group and the company represents the invoiced value of goods net of discounts and returns. Intra group sales are excluded in computing group turnover.

COCO LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS

2.4.2 Revenue Recognition

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

2.4.2.1 Exports Sales - At the time of shipment

2.4.2.2 Local Sales - At time of dispatch

2.4.2.3 Export Rebate & Other Income

Interest and Export Rebate income have been accounted for on an accrual basis

2.4.2.4 Dividend Income

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

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

2.4.3 Expenditure Recognition

2.4.3.1 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.

2.4.3.2 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.

2.4.3.3 For the purpose of presentation of the Income Statement, the director's 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 SEGMENTAL REPORTING

A segment is a distinguishable component of the group that is engaged in either providing products or services (Business Segment) or in providing products or services within particular economic environment (Geographical Segment) which is subject to risk and rewards that are different from those of the other segment.

However, there is no distinguishable component to be identified as segment for the Group.

COCO LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS

2.6 CASH FLOW STATEMENT

The Cash Flow Statement has been prepared using the indirect method. Interest paid is classified as operating cash flows. Interest received and dividend received, are classified as cash flows from investing activities while the dividend paid is classified as financing activities.

2.7 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.

For the year ended 31 March	Group		Company	
	2010 Rs.	2009 Rs.	2010 Rs.	2009 Rs.
3 Revenue				
Export Sales	1,230,735,075	1,361,381,409	-	-
Local Sales	52,681,927	61,683,470	-	-
Rental Income	720,000	-	2,520,000	-
Dividend Income	810,900	-	24,527,900	625,000
	<u>1,284,947,902</u>	<u>1,423,064,879</u>	<u>27,047,900</u>	<u>625,000</u>
4 Other Operating Income				
Dividend Income	11,250	420,001	-	-
Interest on Bank Deposits	14,484,967	3,012,075	1,710,227	290,310
Profit on Disposal of Subsidiaries	115,570	396,781	-	-
Gain on Increase in Market Value of Shares	11,421,596	-	11,421,596	-
Sundry Sales	8,625	41,988	-	-
Creditors Written back	-	1,793,757	-	-
Exchange Gain / (Loss)	(1,351,732)	4,876,078	(1,370)	-
Insurance Claim	187,780	778,844	-	-
Export Rebate	-	2,426,866	-	-
Grant Received	10,657,227	199,895	-	-
Loss on Sale of Shares	-	(17,640)	-	-
Other Income	1,120,373	-	(229,047)	-
	<u>36,655,656</u>	<u>13,928,645</u>	<u>12,901,407</u>	<u>290,310</u>
5 Finance Cost				
Interest on				
- Debentures	-	800,718	-	-
- Bank Overdrafts	1,298,656	2,673,568	51,215	88,813
- Interest on Term Loan	380,291	16,802,311	96,664	-
- Bank Loans	8,863,144	7,869,552	-	-
- Lease	47,393	319,387	-	-
Bill Discounting & Other Bank Charges	-	3,232,714	-	-
Finance Income	-	(4,620,008)	-	-
Premium on Redemption of Preference Shares/ Debentures	-	14,156,500	-	-
Reversal of Preference Dividend Payable	-	(10,000,000)	-	-
	<u>10,589,484</u>	<u>31,234,742</u>	<u>147,879</u>	<u>88,813</u>
6 Profit before Taxation is stated after charging all expenses/income including the followings;				
Directors Emoluments	2,465,000	2,145,000	55,000	1,800,000
Auditors' Remuneration	1,109,132	665,280	215,000	190,000
Depreciation	40,005,339	37,984,008	761,646	4,832,140
Legal and Secretarial Fees	3,935,956	1,501,373	-	-
Donations	10,000	16,500	-	6,500
Personnel Cost (Note 6.1)	114,575,792	112,626,386	574,377	11,661,443
Stock Write off	325,484	34,833,911	-	-
Exchange (Gain) / Loss	(1,370)	6,675,398	(1,370)	3,271,819
Consultancy Fees	71,000	537,000	-	523,000
6.1 Personnel Cost				
Salaries, Wages and Other related costs	103,896,980	103,959,340	-	12,401,070
Defined Benefit Plan Cost- Retirement Gratuity	2,185,421	3,236,517	574,377	(2,149,212)
Defined Contribution Plan Cost-EPF & ETF	8,493,391	5,430,529	-	1,409,585
	<u>114,575,792</u>	<u>112,626,386</u>	<u>574,377</u>	<u>11,661,443</u>
7 Taxation				
7.1 The Charge for the year is made up as follows :				
Income Tax Expense	5,023,762	6,933,603	-	5,319,652
Under /Over provision in respect of previous Year	26,199	-	-	-
Tax effect on Inter Co. Dividends	133,000	-	-	-
Transfer to Deferred Tax Liability (Note 21)	2,947,688	7,986,975	84,453	5,625,738
	<u>8,130,649</u>	<u>14,920,578</u>	<u>84,453</u>	<u>10,945,390</u>

7.2 Subsidiary Companies enjoying tax holidays at concessionary rates of tax:

7.2.1 Renuka Agri Foods PLC

According to the agreement dated 29.03.2003 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 from the Date of first Export Years of Assessment. The tax holiday expires in 2015. Thereafter the company is liable to a tax rate at 15% for a further period of 15 years.

Economic Service Charges (ESC) In accordance with the Economic Service Charge Act No 13 of 2006 and subsequent amendments thereto, during the Year the Company has paid ESC at the rate of 0.25% on liable turnover amounting to Rs.1,987,133/-. This amount has been set off against the income tax liability for the year and the balance is carried forward to be set off against future tax liability of the Company.

7.2.2 Renuka Teas (Ceylon) Ltd

In accordance with the provisions of Section 17(4) © 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 profits only.

7.2.3 Campbell Teas (Pvt) Ltd

In accordance with the provisions of the Board of Investment of Sri Lanka (BOI) under Section 17 (2) of B.O.I. Law No.4 of 1978 and in terms of agreement bearing registration number 194 between B.O.I. and Campbell Teas (Pvt) Ltd, the Company had not been liable to income tax for a period of five (5) years up to 31.3.1999. However, from the Year of Assessment 1999/2000, under Section 52 of the Inland Revenue Act No 10 of 2006, the Company's export profit is liable to income tax at a concessionary rate of 15% up to 31.3.2015. The Company also enjoyed a further deduction of 50% of the income tax payable up to Year of Assessment 2003/2004. However the Company's other income is liable to income tax at 35%.

7.2.4 Renuka Organics (Pvt) Ltd

According to the Agreement entered into with the Board of Investment of Sri Lanka (BOI), the profits and income of the Company had been exempt for a period of 5 years. This tax holiday expired on 31.3.1999. However, from the Year of Assessment 2006/07, 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.

7.2.5 Kandy Plantations Limited

According to the agreement dated 13-11-2003 entered into with the Board of Investment in Sri Lanka, the profits and Income of the company is exempt for a period of 5 years of assessment in which the enterprise commence to make profit (i.e. 2003/2004). Accordingly the tax holiday expired on 31.03.2008. Thereafter the Company is liable to income tax at 15%. However as the company is engaged in plantations its profit is exempted from income tax. The other income of the Company is liable to income tax at 35%.

Economic Service Charges (ESC) In accordance with the Economic Service Charge Act No 13 of 2006 and subsequent amendments thereto, during the Year the Company has paid ESC at the rate of 0.25% on liable turnover amounting to Rs.1,598,700/- this amount has been set off against the income tax liability for the year and the balance is carried forward to be set off against future tax liability of the Company.

7.2.6 Renuka Witsenburg Organics (Pvt) Ltd

Under section 16 of 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 2006/07. However the company's other income is liable to income tax at 35%, the rate applicable to a subsidiary company with in a group. In accordance with the Economic Service Charge Act No 13 of 2006 and subsequent amendments thereto, during the Year the Company has paid ESC at the rate of 0.25% during the year on liable turnover amounting to Rs. 8,762,800/- this amount has been carried forward to be set off against future tax liability of the Company.

7.2.7 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 (02) years ("concessionary period") immediately succeeding the last day 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 profit 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.

7.3 Reconciliation between taxable profit and the accounting profits

	Group		Company	
	2010 Rs	2009 Rs	2010 Rs	2009 Rs
Profit before taxation	287,543,375	144,132,640	33,668,564	48,634,112
Inter Company & Consolidation Adjustments	(58,628,307)	81,435,999	-	-
Aggregate Disallowed Items	51,521,660	92,947,206	5,356,532	55,751,230
Aggregate Allowable Expenses	(71,023,410)	(78,368,864)	(39,159,290)	(49,650,291)
Tax Loss incurred	12,578,811	9,318,505	-	-
Exempt Income	(216,084,269)	(192,423,161)	-	-
	<u>5,907,860</u>	<u>57,042,325</u>	<u>(134,194)</u>	<u>54,735,051</u>
Set off of Tax Loss on Discontinued Operation	-	(31,842,203)	-	(31,842,203)
	<u>5,907,860</u>	<u>25,200,122</u>	<u>(134,194)</u>	<u>22,892,848</u>
Tax Loss set-off	(51,704)	(7,918,459)	-	(7,918,459)
Taxable Income /(Loss)	<u>5,856,156</u>	<u>17,281,663</u>	<u>(134,194)</u>	<u>14,974,389</u>
Taxable Interest Income	8,842,947	2,235,869	-	268,680
Tax rate				
	35%	4,803,144	6,831,136	5,241,036
	15%	146,375	-	-
Income Taxation	4,949,519	6,831,136	-	5,241,036
Social Responsibility Levy	74,243	102,467	-	78,616
Current Income Tax Expense of the Company	<u>5,023,762</u>	<u>6,933,603</u>	<u>-</u>	<u>5,319,652</u>

8 Loss for the year from Discontinued Operations

Loss attributable to discontinued operation is arrived as follows:

	2010 Rs.	2009 Rs.
Revenue	-	120,341,435
Cost of Sales	-	(131,968,294)
Gross Profit/(Loss)	<u>-</u>	<u>(11,626,859)</u>
Administrative Expenses	-	3,675,134
Sales and Distribution Expenses	-	(17,495,647)
Finance Cost	-	(7,670,619)
		<u>(1,921,222)</u>
Loss before tax for the year from discontinued operation		<u>(35,039,213)</u>
Taxation		-
Loss for the year	<u>-</u>	<u>(35,039,213)</u>
Loss per Share	<u>-</u>	<u>(2.55)</u>

During the year of 2008/09, the Board of Directors decided to discontinue the manufacturing and marketing of agricultural products as at 31st December 2008 and to continue with the investment activities in future. This was not considered as a discontinued operation or classified as held for sale as at 31.03.2008. Therefore the comparative income statement has been represented to show the discontinued operation separately from continuing operations. And all the income & expenditure for the year ended 31.03.2008 are pertaining to that segment represented in accordance with SLAS 38 (Revised 2006) Non current asset held for sale and discontinued operations.

As a result of discontinue of operation, company has transferred following assets to Renuka Witsenburg Organics (Pvt) Ltd. which is a subsidiary of the company.

	Fair Value Rs	Cost Rs
Plant & Machinery	64,839,205	15,472,860

Company has no intention of transferring its assets and liabilities which are remaining as at 31.03.2010.

COCO LANKA PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2010

9 Earnings/ (Loss) per share

The calculation of Earnings/(Loss) per share is based on the profit/(loss) after taxation over the weighted average number of shares in issue during the year.

	Group		Company	
	2010	2009	2010	2009
Profit from Continuing Operations (Rs)	229,761,153	83,797,797	33,584,111	37,688,722
Loss from Discontinuing Operations (Rs)	-	-	-	(35,039,213)
	<u>229,761,153</u>	<u>83,797,797</u>	<u>33,584,111</u>	<u>2,649,509</u>

Adjusted Weighted Average number of ordinary shares (Note 9.1)	14,436,591	13,720,579	14,436,591	13,720,579
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Earnings/ (Loss) per share

Profit from Continuing Operation (Rs.)	15.92	6.11	2.33	2.75
Loss from Discontinuing Operation (Rs.)	-	-	-	(2.55)
	<u>15.92</u>	<u>6.11</u>	<u>2.33</u>	<u>0.19</u>

9.1 Adjusted Weighted Average number of ordinary shares

Ordinary Shares at the Beginning of the year	13,720,579	12,600,000	13,720,579	12,600,000
Effects of Rights issue of Shares	716,012	1,120,579	716,012	1,120,579
Adjusted Weighted Average number of ordinary shares	<u>14,436,591</u>	<u>13,720,579</u>	<u>14,436,591</u>	<u>13,720,579</u>

10 PROPERTY, PLANT & EQUIPMENT

Refer the next page

11 Investment Properties

as at 31st March

	Group		Company	
	2010 Rs.	2009 Rs.	2010 Rs.	2009 Rs.
Balance as at the Beginning of the Year	-	-	92,735,900	-
Additions during the Year	55,089,160	-	-	92,735,900
Balance as at the End of the Year	<u>55,089,160</u>	<u>-</u>	<u>92,735,900</u>	<u>92,735,900</u>

11.1 During the year Company has ceased the manufacturing and marketing of agriculture products and has leased out the factory land and building to the Renuka Witsenburg Organics (Pvt) Ltd with effect from 1.04.2009, which was revalued as at 31st March 2008 amounted to Rs. 95,258,385/-.

Company has obtained an independent valuation on this land and building in order to recognize Investment Property on fair value basis. The professional valuation was performed by Mr. Leon M.P. Perera, Incorporated Valuer, as at 30th March 2009 and the fair value adjustment was not done since the gain on fair value adjustment was insignificant.

11.2 Details of the Investment Property

	Location of the Property	Fair Value	Cost/Previous Valuation
		31.03.2010 (Rs.)	31.03.2009 (Rs.)
Land	Ja-ela	53,687,500	53,687,500
Building	Ja-ela	40,570,185	40,570,185

11.3 In the consolidated Financial Statements, this has been classified under Property, Plant & Equipment, as the said properties have been rented to group companies.

11.4 The Directors of the Company are of the view that the Fair value of the investment property do not significantly differ from their carrying values as at 31st March 2010.

COCO LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS
As at 31 March 2010

10 PROPERTY, PLANT & EQUIPMENT

10(a) Group

Cost / Valuation

	FREEHOLD LAND Rs.	LEASEHOLD LAND Rs.	BUILDINGS Rs.	IMMATURE PLANTATIONS Rs.	PLANT & MACHINERY Rs.	ELECTRICAL INSTALLATION Rs.	FURNITURE FITTINGS Rs.	EQUIPMENT Rs.	MOTOR VEHICLES Rs.	LEASED MOTOR VEHICLE Rs.	CAPITAL WORK IN PROGRESS Rs.	TOTAL 2010 Rs.	TOTAL 2009 Rs.
As at 1 of April	53,687,500	65,539,022	134,748,857	325,484	328,327,249	12,649,786	13,539,981	29,298,061	17,076,670	1,150,000	200,789	670,545,379	712,023,507
Additions	-	-	723,857	2,175,984	3,122,327	-	109,849	1,457,320	474,180	-	8,175,715	16,238,332	44,316,689
Acquisition of Subsidiaries	51,688,500	2,500,000	23,500,660	2,820,487	-	-	-	432,078	-	-	-	80,841,725	-
Disposal	-	-	-	(325,484)	-	-	-	-	-	-	-	(325,484)	(65,794,810)
As at 31 March	105,276,000	68,039,022	158,973,374	4,995,571	331,449,576	12,649,786	13,649,810	25,187,459	17,552,850	1,150,000	8376,504	767,293,952	670,545,385

Accumulated Depreciation

As at 1 of April	-	16,707,210	12,494,950	-	114,851,681	6,202,511	6,632,060	9,622,516	13,544,245	575,000	-	180,568,802	192,882,211
Charge for the year	-	2,919,070	2,787,299	-	27,016,855	1,356,767	1,424,469	2,559,138	1,711,741	230,000	-	40,006,389	37,994,008
Acquisition of Subsidiaries	-	50,000	-	-	-	-	687	381,678	-	-	-	432,365	-
Disposals / Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	(50,296,412)
As at 31 March	-	19,676,280	15,221,879	-	141,868,536	7,559,278	8,057,215	12,563,332	15,295,986	805,000	-	221,007,506	180,568,807

Carrying Amount

As at 31 March 2010	105,276,000	68,365,742	143,751,495	4,995,571	188,581,040	5,090,508	5,592,595	12,624,127	2,296,863	345,000	8,376,504	546,292,446	-
As at 31 March 2009	73,687,500	71,650,882	121,754,708	325,484	216,853,796	7,386,862	8,338,384	14,380,719	4,760,235	575,000	200,789	489,975,578	-

COCO LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS
As at 31 March 2010

10 (b) Company	FREEHOLD LAND Rs.	BUILDINGS Rs.	PLANT & MACHINERY Rs.	ELECTRICAL INSTALLATION Rs.	FURNITURE FITTINGS Rs.	EQUIPMENT Rs.	MOTOR VEHICLES Rs.	TOTAL 2010 Rs.	TOTAL 2009 Rs.
Cost / Valuation									
As at 01 April 2009	-	-	-	-	-	-	9,031,470	9,031,470	169,073,829
Disposals	-	-	-	-	-	-	-	-	(65,783,974)
Transfer to Investment Properties	-	-	-	-	-	-	-	-	(94,258,385)
As at 31 March 2010	-	-	-	-	-	-	9,031,470	9,031,470	9,031,470
Accumulated Depreciation									
As at 01 April 2009	-	-	-	-	-	-	7,541,277	7,541,277	54,528,034
Charge for the year	-	-	-	-	-	-	761,646	761,646	4,832,140
Disposals	-	-	-	-	-	-	-	-	(50,296,412)
Transfer to Investment Properties	-	-	-	-	-	-	-	-	(1,522,485)
As at 31 March 2010	-	-	-	-	-	-	8,302,923	8,302,923	7,541,277
Carrying Amount									
As at 31 March 2010	-	-	-	-	-	-	728,547	728,547	
As at 31 March 2009	-	-	-	-	-	-	728,547		1,490,193

COCO LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS
As at 31st March 2010

12 Long Term Investments

	Number of Shares	Holding %	Group		Company	
			2010 Rs.	2009 Rs.	2010 Rs.	2009 Rs.
12.1 Subsidiaries -Unquoted						
Renuka Agri Foods Plc (12.2)	221,030,000	55.1%	-	-	219,430,000	219,430,000
Renuka Teas Ceylon (Pvt) Ltd	2,500,000	50%	-	-	96,875,000	71,875,000
Renuka Organics (Pvt) Ltd	500,000	50%	-	-	50,000,000	50,000,000
Ceylon Forestry (Pvt) Ltd (12.2)	3,500,000	60%	-	-	20,000,000	-
			<u>-</u>	<u>-</u>	<u>386,305,000</u>	<u>341,305,000</u>

12.2 The company has acquired 3,500,000 number of shares of Ceylon Forestry (Pvt) Ltd for a consideration of Rs. 20,000,000 and also company purchased 625,000 number of Voting Shares of Renuka Teas (Pvt) Ltd for a consideration of Rs. 25,000,000/- during the year

	Group		Company	
	2010 Rs.	2009 Rs.	2010 Rs.	2009 Rs.
13 Goodwill				
Balance as at the beginning of the year	28,706,300	28,455,422	-	-
Acquisition during the year	1,519,005	250,898	-	-
	<u>30,225,305</u>	<u>28,706,320</u>	<u>-</u>	<u>-</u>
Adjustment due to holding changes in Subsidiaries	-	(20)	-	-
Balance as at the end of the year	<u>30,225,305</u>	<u>28,706,300</u>	<u>-</u>	<u>-</u>

Goodwill as at the balance sheet date has been tested for impairment and no impairment was found in carrying value. Recoverable values have been estimated based on the value in use and fair value less cost to sell for the purpose of the above test.

	Group		Company	
	2010 Rs.	2009 Rs.	2010 Rs.	2009 Rs.
14 Inventories				
Raw Materials & Consumables	5,537,730	10,389,217	-	-
Finished Goods	107,374,030	65,131,934	-	-
Harvested Crops	5,397,610	5,843,362	-	-
Spares & Consumables	23,349,376	14,230,996	-	-
Goods In Transit	1,166	4,320,195	-	-
Work in Progress	3,899,868	4,143,816	-	-
Packing Material & Chemicals	75,785,998	67,095,235	-	-
Tea Flavours	193,466	-	-	-
Tea Stock	2,521,624	-	-	-
Blended Tea Stock	6,300,587	-	-	-
	<u>230,361,455</u>	<u>171,154,755</u>	<u>-</u>	<u>-</u>
(-) Provision for Slow moving items	(1,777,849)	-	-	-
	<u>228,583,606</u>	<u>171,154,755</u>	<u>-</u>	<u>-</u>

15 Trade & Other Receivables

Bills Receivable	114,665,430	70,357,400	-	-
Rebate Receivables	2,227,322	3,460,539	-	-
VAT Recoverable	31,644,289	27,595,066	11,729,316	11,916,465
ESC Receivables	7,119,608	11,146,520	3,882,893	3,882,893
WHT Receivable	170,741	67,996	170,741	67,996
Deposits & Pre-Payments	9,880,828	2,175,906	20,500	10,500
Taxes Recoverable	906,697	729,066	-	729,066
Advances Payments	766,373	4,422,823	180,000	178,294
Receivable from Brokers	605,969	9,092,245	-	-
Staff Loan and Advances	66,500	82,380	25,500	25,500
Other Receivables	15,169,377	14,778,090	331,275	1,103,532
	<u>183,223,134</u>	<u>143,908,032</u>	<u>16,340,225</u>	<u>17,914,246</u>

COCO LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS

As at 31st March	Relationship	Group		Company	
		2010 Rs.	2009 Rs.	2010 Rs.	2009 Rs.
16 Amounts due from Related Companies					
Renuka Teas (Ceylon) Ltd	Subsidiary	-	-	18,803,600	-
Renuka Organics (Pvt) Ltd	Subsidiary	-	-	22,080	1,094,582
Renuka Witsenburg Organics (Pvt) Ltd	Subsidiary	-	-	6,125,383	-
Ceylon Botanicals (Pvt) Ltd	Subsidiary	-	53,121	-	-
Renuka Agro Exports Ltd	Parent	34,799,436	13,254,915	30,132,657	3,749,379
Renuka Travels & Tours (Pvt) Ltd	Affiliate	337,390	1,136,500	-	200,000
Renuka Holdings Ltd	Affiliate	2,510,325	-	-	-
Ceylon Forestry (Pvt) Ltd	Subsidiary	-	28,192	-	-
		<u>37,647,151</u>	<u>14,472,728</u>	<u>55,083,720</u>	<u>5,043,961</u>
17 Short Term Investments					
Investment in Quoted Companies					
	No Shares				
Ceylon Tobacco PLC	170,000	42,500,000	-	42,500,000	-
Distilleries Co. of Ceylon PLC	56,000	5,900,000	-	5,900,000	-
		<u>48,400,000</u>	<u>-</u>	<u>48,400,000</u>	<u>-</u>
Cost		36,978,404	-	36,978,404	-
Gain on Increase in Market Value		11,421,596	-	11,421,596	-
		<u>48,400,000</u>	<u>-</u>	<u>48,400,000</u>	<u>-</u>
18 Cash & Cash Equivalents					
18.1 Favourable Balances					
Call Deposits		45,410,431	23,664,188	10,547,919	801,711
Short Term Deposits		432,152,579	47,491,681	221,305,559	613,720
Cash at bank & in hand		46,728,316	20,976,472	1,975,379	1,259,829
		<u>524,291,326</u>	<u>92,132,341</u>	<u>233,828,857</u>	<u>2,675,260</u>
18.2 Unfavourable Balances					
Bank Overdraft		(9,689,880)	(17,902,077)	(123,558)	(351,508)
Cash & Cash Equivalent for the purpose of Cash Flow Statement		<u>514,601,446</u>	<u>74,230,264</u>	<u>233,705,299</u>	<u>2,323,752</u>
19 Stated Capital					
Number of ordinary shares issued & fully paid		2010	2009	2010	2009
		Number (000)	Number (000)	Number (000)	Number (000)
At the beginning of the year		12,600	12,600	12,600	12,600
Issued during the year (Rights Issue)					
Voting		9,000	-	9,000	-
Non Voting		1,800	-	1,800	-
At the end of the Year		<u>23,400</u>	<u>12,600</u>	<u>23,400</u>	<u>12,600</u>
Value of issued and fully paid		Rs (000)	Rs (000)	Rs (000)	Rs (000)
At the beginning of the year		192,075	192,075	192,075	192,075
Issued during the year (Rights Issue)					
Voting		315,000	-	315,000	-
Non Voting		45,000	-	45,000	-
		<u>552,075</u>	<u>192,075</u>	<u>552,075</u>	<u>192,075</u>
20 Reserves					
Capital Reserves					
Revaluation Reserve		73,185,107	73,185,107	-	-
		<u>73,185,107</u>	<u>73,185,107</u>	<u>-</u>	<u>-</u>
20.1 <i>Revaluation Reserve</i>					
The above revaluation surplus consists of net surplus resulting from the revaluation of property, plant & equipment and investment property					
21 Deferred Tax Liability					
Balance as at the Beginning of the Year		23,968,481	15,981,508	8,064,571	2,438,833
Provision made during the Year		2,947,688	7,986,973	84,453	5,625,738
Balance as at the End of the Year		<u>26,916,169</u>	<u>23,968,481</u>	<u>8,149,024</u>	<u>8,064,571</u>

COCO LANKA PLC

NOTES TO THE FINANCIAL STATEMENTS

As at 31st March	Group		Company	
	2010 Rs.	2009 Rs.	2010 Rs.	2009 Rs.
22 NDB Project Loan				
Balance as at the beginning of the year	2,052,000	3,420,000	2,052,000	3,420,000
Payments during the year	(1,367,384)	(1,368,000)	(1,367,384)	(1,368,000)
	684,616	2,052,000	684,616	2,052,000
Payable within one year	(684,616)	(1,368,000)	(684,616)	(1,368,000)
Payable after one year	-	684,000	-	684,000
23 Long Term Loan				
Balance as at the Beginning of the year	84,992,264	85,855,911	-	-
Addition During the year	16,523,039	19,250,000	-	-
Payments During the year	(80,886,533)	(20,113,647)	-	-
	20,628,770	84,992,264	-	-
Payable with in one year	(3,527,996)	(30,276,867)	-	-
Payable after one year	17,100,774	54,715,397	-	-

23.1 Renuka Agri Foods PLC

Details of loans obtained by the Company are set out below,

Financial Institution	Facility	Repayment Terms	Interest Rates	Security
DFCC Bank	19.25Mn.	To be paid in 72 installements with a grace period of 24 months starting from July 2010 Rs. 466,667/-	6% above AWDR (Weighted Average Proime Lending Rate)	Primary Mortgaged over lease hold rights of an allotted plot of land depicted on lot no 28 Yatadawala, Makulana, Wathupitiwala.
23.2 Renuka Teas (Ceylon) (Pvt) Ltd.				
DFCC Bank	Rs.13Mn.	To be paid in 66 installements with the grace period of 6 months from the date first disbursement	7.5% above AWDR (Weighted Average Proime Lending Rate)	Primary Mortgage over the proposed machinery and a further mortgage over existing ,machinery together with corporate guarantee by Renuka Agro Exports Ltd.

COCO LANKA PLC

NOTES TO THE FINANCIAL STATEMENTS

As at 31 March	Group		Company	
	2010 Rs.	2009 Rs.	2010 Rs.	2009 Rs.
24 Debentures				
Balance as at beginning of the year	-	20,000,000	-	10,000,000
Redeemed during the year	-	(20,000,000)	-	(10,000,000)
Balance as at end of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
25 Lease Payable				
Balance Payable as at 31st March	73,668,217	73,490,388	-	-
Lease Rentals Payables within one year	(2,194,473)	(2,167,271)	-	-
Lease Rentals Payables after one year	71,473,744	71,323,117	-	-
			Group	
			2010	2009
			Rs.	Rs.
25.1 Kandy Plantations Ltd.				
Lease Installements payable within one year				
Land (25.1.1)			2,000,000	2,000,000
Motor Vehicle (25.1.2)			194,473	167,271
			<u>2,194,473</u>	<u>2,167,271</u>
Lease Installements payable after one year				
Land (25.1.1)			71,350,000	71,000,000
Motor Vehicle (25.1.2)			123,744	323,117
			<u>71,473,744</u>	<u>71,323,117</u>
25.1.1 Lease Installements payable (to the owner of the estate/lessor)				
Lease installements payable under the lease for 30 years commencing 01.04.2003			73,000,000	82,500,000
Amount paid upto 31st March			-	(7,500,000)
Balance payable as at 1st April			73,000,000	75,000,000
Additions of Subsidiaries			2,350,000	-
Payments made during the year			(2,000,000)	(2,000,000)
Since payable on lease as at 31st March			73,350,000	73,000,000
Lease rentals payable within one year			(2,000,000)	(2,000,000)
Lease rental payable after one year			<u>71,350,000</u>	<u>71,000,000</u>
25.1.2 Motor Vehicle				
Balance payable as at the beginning of the year			582,397	807,891
Paid during the year			(234,754)	(225,494)
Balance payable as at the end of the year			347,643	582,397
Interest in suspense			(29,426)	(92,009)
			<u>318,217</u>	<u>490,388</u>
Lease rentals payable within one year			(194,473)	(167,271)
Lease rental payable after one year			<u>123,744</u>	<u>323,117</u>
26 Retirement Benefits Obligation				
			Group	Company
	2010	2009	2010	2009
	Rs.	Rs.	Rs.	Rs.
At the beginning of the year	8,170,014	8,092,285	539,379	2,862,600
Acquisition of Subsidiary	20,750	-	-	-
Charge /(Reversal) for the year	2,185,421	294,614	574,377	(2,149,221)
Payment made during the year	(702,432)	(216,885)	(557,707)	(174,000)
As at the end of the year	<u>9,673,753</u>	<u>8,170,014</u>	<u>556,049</u>	<u>539,379</u>

COCO LANKA PLC**NOTES TO THE FINANCIAL STATEMENTS**

As at 31st March

26.1 Movement in the Present Value of The Defined Benefit Obligation (PV-DBO)

	GROUP		COMPANY	
	2010	2009	2010	2009
	Rs.	Rs.	Rs.	Rs.
Provision for PV-DBO as at 01 April	8,170,014	-	539,379	-
Interest Cost for the period	943,402	-	82,865	-
Current Service Cost for the period	1,175,996	-	215,249	-
Gratuity paid during the period	(702,433)	-	(557,708)	-
Actuarial (Gain)/Loss on PV-DBO	86,774	-	276,264	-
Provision for PV-DBO as at 31 March	9,673,753	8,170,014	556,049	539,379

26.2 This obligation is not externally funded.

26.3 The Group has adopted SLAS 16 (Revised 2006), "Employee Benefits" which applies prospectively for the financial periods beginning on or after 1 July 2007. Comparative figures which reflect the requirements of the previous SLAS 16 have not been adjusted.

26.4 Gratuity liability is based on the actuarial valuation carried out by Messrs. Actuarial and Management Consultants (Private) Limited, Actuaries, on 31 March 2010. as per the SLAS 16 (revised 2006) Employee Benefits. The principal assumptions used in the 2010 actuarial valuation are as follows:

Discount rate	12%
Withdrawal	5% up to the age 49 years and thereafter zero
Retirement Age	55 years
Mortality Rates	0.000889 - 0.004788
Disability Rates	0.0003 - 0.00448
Future salary increase	10%

26.5 In addition to the above, demographic assumptions such as mortality, withdrawal and disability, and retirement age were considered for the actuarial valuation. "A 67/07 mortality table" issued by the Institute of Actuaries, London was used to estimate the gratuity liability of the Company.

26.6 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.

COCO LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS

As at 31st March	Group		Company	
	2010 Rs.	2009 Rs.	2010 Rs.	2009 Rs.
27 Trade and Other Payables				
Trade Creditors	38,591,875	50,185,623	1,398,723	1,398,721
VAT Payable	9,800,325	10,829,412	9,800,325	10,829,411
Bills Payable	1,983,486	278,366	1,983,486	278,366
Import CA	3,946,842	-	-	-
Tax Payables	2,823,447	5,330,523	-	5,274,633
Staff Creditors	613,532	-	-	-
Accrued Expenses	29,743,393	26,097,738	158,295	1,717,020
Other Payables	11,530,031	4,224,387	4,766,419	900,500
	<u>99,032,931</u>	<u>96,946,050</u>	<u>18,107,248</u>	<u>20,398,651</u>
28 Amount Due to Related Companies				
		Relationship		
Renuka Agrifoods Plc		Subsidiary	-	47,207,012
Renuka Teas (Pvt) Ltd.		Subsidiary	-	16,813,125
Kandy Plantation Limited		Subsidiary	-	466,000
Renuka Witsenburg Organics (pvt) Ltd.		Subsidiary	-	892,715
Renuka Agro Exports Ltd	486,007	Parent	1,214,949	-
Renuka Group Ltd	5,000	Parent	205,620	-
	<u>491,007</u>		<u>1,420,569</u>	<u>47,207,012</u>
				<u>52,309,163</u>
29 Dividend Payable				
Unclaimed Dividends	1,955,920	1,633,838	1,280,920	958,838
	<u>1,955,920</u>	<u>1,633,838</u>	<u>1,280,920</u>	<u>958,838</u>
30 Capital Expenditure Commitments				

Renuka Witsenburg Organics (Pvt) Ltd

The Company has leased out its Land & Factory premises called "Straatenwyk Estate" to Renuka Witsenburg Organics (Pvt) Ltd on 4th March 2009 to for a period of 10 years from 1st April 2009 to 31st March 2019. The total amount that becomes receivable after 01.04.2010 under the above agreement is Rs. 31,461,601. There were no other capital expenditure commitments approved as at 31.03.2010 in respect of the Company.

There were no material Capital Commitments & Financial Commitments to be disclosed in the financial statement as at the Balance sheet date except for above.

COCO LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS
As at 31st March 2010

31 Contingent Liabilities

Coco Lanka PLC

The Company has given a corporate guarantee for the bank facility of US\$ 1 Million obtained from Honkong & Shanghai Bank Corporation, by Rennuka Agri foods PLC which is a subsidiary of the Company.

There were no material contingent liabilities to be disclosed in the financial statement as at the Balance sheet date except for above.

32 Related Party Disclosure

The Company and its subsidiaries carry out transactions in the ordinary course of its business with parties who are defined as related parties in Sri Lanka Accounting Standard 30 "Related Party disclosures "(Revised 2005)", the details of which are reported below.

32.1 Related Party Transactions

32.1.1 Coco Lanka PLC

	Name of the Company	Nature of the Relationship	Nature of Transactions	Amount received/ (Paid)	
				2009/10 Rs.	2008/09 Rs.
32.1.1.1	Renuka Agri Foods PLC	Subsidiary	Purchase of Fresh Coconut Kernel	-	(1,957,071)
			Purchase of Raw Material	-	(8,774,289)
			Transfer of Stocks	-	6,471,925
			Fund Transfers	(13,069,689)	(13,309,864)
			Funds Received	-	30,020,950
			Bills Received	-	11,489,360
			Packing Materials Received	-	8,774,289
			Transfer of Desiccated Coconut	-	(1,387,443)
			Receipt of Desiccated Coconut	-	265,096
32.1.1.2	Kandy Plantations Ltd.	Subsidiary	Purchase of Fresh Coconut Kernel	-	(7,825,285)
			Fund Transfers	(466,000)	(3,375,727)
			Funds Received	-	8,833,055
32.1.1.3	Renuka Witsenburg Organics (Pvt) Ltd.	Subsidiary	Transfer of Stocks	-	9,196,088
			Fund Transfers	(4,361,929)	(89,281,179)
			Funds Received	-	99,623,483
32.1.1.4	Renuka Organics (Pvt) Ltd	Subsidiary	Purchase of Raw Material	-	(950,973)
			Bills Received	-	1,094,581
			Transfer of Desiccated Coconut	-	1,254,513
			Receipt of Desiccated Coconut	-	(3,225,486)
			Fund Transfers	(1,094,582)	-
			Expensed Incurred	22,080	-
32.1.1.5	Renuka Teas (Ceylon) (Private) Ltd	Subsidiary	Fund Transfers	-	38,094,042
			Funds Received	(35,616,725)	(54,907,167)
			Bills Received	-	2,276,618
32.1.1.6	Renuka Travels & Tours (Pvt) Ltd	Affiliate	Fund Transfers	(200,000)	(2,771,231)
			Funds Received	-	2,771,231
			Bills Received	-	-
32.1.1.7	Renuka Agro Exports Ltd	Parent	Fund Transfers	(26,383,275)	(22,003,200)
			Funds Received	-	25,964,785
			Bills Received	-	1,616,573
			Bills Received	-	9,011,036
			Packing Materials Transferred	-	(232,050)
			Transfer of Desiccated Coconut	-	4,130,905
			Receipt of Desiccated Coconut	-	4,883,376

COCO LANKA PLC

NOTES TO THE FINANCIAL STATEMENTS

As at 31st March 2010

	Name of the Company	Nature of the Relationship	Nature of Transactions	Amount received/ (Paid)	
				2009/10 Rs	2008/09 Rs
32.1.2	Renuka Agri Foods PLC				
32.1.2.1	Renuka Group Ltd.	Ultimate Parent	Office space provided Fee as reimbursement for Finance, IT, Human Resources & Secretarial Fund transfers	- - - (200,620)	(1,050,000) (9,140,000) - -
32.1.2.2	Renuka Travels & Tours (Pvt) Ltd	Affiliate	Transport & Export/Import Services Fund transfers	- 537,610	(3,345,565) -
32.1.2.3	Kandy Plantations Ltd.	Affiliate	Purchased Fresh Kernel Purchase of Coconut Nuts	- -	(166,459,149) (9,259,302)
32.1.2.4	Chadha Oriental Food Ltd.	Affiliate	Sales	-	118,721,381
32.1.2.5	Renuka Agro Exports Ltd	Affiliate	Fund Transferred Bills Received Packing Material Loan DC Loan	16,942,731 (7,670,933) (1,277,408) (5,654,480)	- - - -
32.1.2.6	Renuka Witsenburg Organics (Pvt) Ltd.	Affiliate	Fund Received Fund Transferred Packing Material Loan	4,200,000 (7,345,316) 671,944	- - -
32.1.2.7	Ceylon Forestry (Pvt) Ltd	Common Directors	Fund Transferred	(28,192)	-
32.1.2.8	Renuka Enterprises (Private) Limited	Affiliate	Fund Transferred Fund Received	(11,365,308) 11,365,308	- -
32.1.2.9	Renuka Holdings PLC	Affiliate	Fund Transferred Fund Received	(22,510,325) 20,000,000	- -
32.1.2.10	Symbiosis Business (Private) Limited	Common Directors	Consultancy Services	688,600	-
32.1.3	Renuka Organics (Pvt) Ltd				
32.1.3.1	Coco Lanka PLC	Parent	Sale of Fresh Coconut Kernel	-	1,957,071
32.1.3.2	Renuka Agri Foods PLC	Affiliate	Fund Received Fund Transferred Packing Material Loan DC Loan	2,000,910 (2,885,080) 964,321 (298,413)	43,929,612 - - -
32.1.3.3	Renuka Group Ltd.	Ultimate Parent	Finance IT & Administration Charges	-	(281,288)
32.1.4	Kandy Plantation Ltd				
32.1.4.1	Coco Lanka PLC	Parent	Sale of Fresh Coconut Kernel	-	7,825,285
32.1.4.2	Renuka Agrifoods PLC	Affiliate	Sale of Fresh Coconut Kernel Sale of Coconut Nuts Fund Transfers	26,237,795 - (34,084,612)	166,459,149 9,259,302 -
32.1.4.3	Renuka Group Ltd.	Ultimate Parent	Finance IT & Administration Charges	-	(1,125,150)
32.1.4.4	Renuka Witsenburg Organics (Pvt) Ltd.	Affiliate	Indirect Exports	4,535,682	-

COCO LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS
As at 31st March 2010

32.3 Directorate of Group companies

<u>Name of Director</u>	<u>CLP</u>	<u>RAFL</u>	<u>RTL</u>	<u>ROL</u>	<u>KPL</u>	<u>RWL</u>	<u>CTL</u>	<u>RTRL</u>	<u>CFL</u>	<u>CBL</u>
Dr S.R.Rajiyah (Chairman)	√	√	√	√	√	√	√	√	√	√
Mrs I.R.Rajiyah	√	√	√	√	√	√	√	√	√	√
Mr P.C.K.Abeykoon	√	√	-	-	-	-	-	-	-	-
Mr C.J.De.S.Amaratunge	√	√	-	-	-	-	-	-	-	-
Mr S.V.Rajiyah	√	√	√	√	√	√		√	√	√
Mr L.M.Abeywickrama	√	√	-	-	-	-	-	-	-	-
Mr S.Vasantha Kumara	√	√	-	√	-	-	-	-	-	-

CLP	Coco Lanka PLC	RWL	Renuka Witsenburg Organics (Pvt) Ltd.
RAFL	Renuka Agri Foods PLC	CTL	Campbell Teas (Pvt) Ltd.
RTL	Renuka Teas (Ceylon) (Pvt) Ltd	RTRL	Renuka Trading (Pvt) Ltd
ROL	Renuka Organics (Pvt) Ltd	CFL	Ceylon Forestry (Pvt) Ltd
KPL	Kandy Plantations Ltd.	CBL	Ceylon Botanical (Pvt) Ltd

33 Events Occurring after the Balance Sheet Date

The Directors have proposed the payment of a final dividend of Rs.1/= per share for the year ended 31st March 2010 which is to be approved by the shareholders at the Annual General Meeting

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 disclosures in the Financial Statements other than those disclosed above.

34 Litigation and claims

Coco Lanka PLC

During the year 2001, a case was filed by Renuka Hotels Limited against seven respondents including the Company and its subsidiary Renuka Agri Foods PLC., (Case No. H.C. (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 Court of Appeal

Kandy Plantations Ltd

Land Reform Commission has filled a case in the district court of Attanagalle against the trustess where the Company is a respondent.

COCO LANKA PLC
NOTES TO THE FINANCIAL STATEMENTS
As at 31st March 2010

32.3 Directorate of Group companies

<u>Name of Director</u>	<u>CLP</u>	<u>RAFL</u>	<u>RTL</u>	<u>ROL</u>	<u>KPL</u>	<u>RWL</u>	<u>CTL</u>	<u>RTRL</u>	<u>CFL</u>	<u>CBL</u>
Dr S.R.Rajiyah (Chairman)	√	√	√	√	√	√	√	√	√	√
Mrs I.R.Rajiyah	√	√	√	√	√	√	√	√	√	√
Mr P.C.K.Abeykoon	√	√	-	-	-	-	-	-	-	-
Mr C.J.De.S.Amaratunge	√	√	-	-	-	-	-	-	-	-
Mr S.V.Rajiyah	√	√	√	√	√	√		√	√	√
Mr L.M.Abeywickrama	√	√	-	-	-	-	-	-	-	-
Mr S.Vasantha Kumara	√	√	-	√	-	-	-	-	-	-

CLP	Coco Lanka PLC	RWL	Renuka Witsenburg Organics (Pvt) Ltd.
RAFL	Renuka Agri Foods PLC	CTL	Campbell Teas (Pvt) Ltd.
RTL	Renuka Teas (Ceylon) (Pvt) Ltd	RTRL	Renuka Trading (Pvt) Ltd
ROL	Renuka Organics (Pvt) Ltd	CFL	Ceylon Forestry (Pvt) Ltd
KPL	Kandy Plantations Ltd.	CBL	Ceylon Botanical (Pvt) Ltd

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SHARE HOLDER'S INFORMATION

Stock Exchange Listing

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

Shareholder Information

	2010		2009
	Voting	Non voting	Voting
Total No of Shareholders	4,077	594	3,465
Total No of Shares	21,600,00	1,800,00	12,600,000

Voting Shares

31 st March 2010			31 st March 2009				
	No of Shareholders	No of Shares	%	No of Shareholders	No of Shares	%	
1	1,000	3420	762,938	3.63	3032	617,977	4.90
1001	10,000	507	1,715,730	7.94	276	892,355	7.09
10,001	100,000	132	3,606,337	16.70	56	1,707,217	13.55
100,001	1,000,000	17	4,232,949	19.60	5	3,626,191	28.78
1,000,001	Over	1	11,282,046	52.23	1	5,755,630	45.68
TOTAL		4077	12,600,000	100	3465	12,600,000	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	3957	7,354,430	34.05	3367	3,869,383	30.21
Intuitions	120	14,245,570	65.95	98	8,830,167	69.29
Total	4077	21,600,00	100.00	3465	12,600,000	100

31 st March 2010				2009 Voting		
Analysis of Shareholders Voting	No of Shareholders	No of Shares	%	No of Shareholders	No of Shares	%
Residence	4055	20,667,564	95.68	34,533	11,561,370	91.76
Non Residence	22	932,436	4.32	12	1,038,630	8.24
Total	4077	21,600,000	100	3465	12,600,000	100

Non Voting Shares

31 st March 2010			
	No of Shareholders	No of Shares	%
1-1000	457	99,253	5.51
1001-10,000	118	358,051	19.90
10,001-100,000	18	402,526	22.36
100,001 & Over	1	940,170	52.23
Total	594	1,800,000	100.00

31st March 2010

Analysis of Shareholders Voting	No of Shareholders	No of Shares	%
Individuals	558	759,331	42.19
Intuitions	36	104,0669	57.81
Total	594	1800,000	100,00

31st March 2010

Analysis of Shareholders Voting	No of Shareholders	No of Shares	%
Residence	585	1,741,225	96.73
Non Residence	9	58,775	3.27
Total	594	1,800,000	100.00

Public Shareholding

		Voting	Non voting
The percentage of shares held by the public	2010	44.00	48
	2009	44.28	-

Share Trading Information

1st April to 31st March

	2009/2010		2008/2009
	Voting	Non Voting	Voting

Share Prices

Highest (Rs)	57.50	35.50	23.75
Lowest (Rs)	18.25	29.00	9.50
As at 31 st March	41.00	31.50	18.00

Market Capitalization

As at 31st March

No of Trades	3199	521	4,153
No of shares traded	3,884,900	491,200	4,829,900
Value of shares traded (Rs)	162,887,025	16,282,875	90,381,775

Dividends

Proposed/paid final dividend (Rs)	23,400,000 (1.00 per share)	12,600,000 (1.00 per share)
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Major Voting Shareholders as at 31st March 2010

Name	No of Shares	%	No of Shareholders 31st March 2009	%
Renuka Agro Exports Ltd	11,282,046	52.23	6,431,194	51.4
Renuka Hotels Ltd	694,114	3.21	404,900	3.21
Mr L.Ai Naqib	550,000	2.55	-	-
Mr K.C.Vignarajah	537,028	2.49	-	-
Dr T.Senthilverl	402,285	1.86	-	-
Mrs S.Vignarajah	311,371	1.44	-	-
National Savings Bank	260,000	1.20	-	-
Mr S.W.U.Arunashantha	200,000	0.93	-	-
Mr P.H.D.Waidyatilaka	171,428	0.79	-	-
Renuka Consultants & Services Ltd	147,428	0.68	86,000	0.68
Alliance Finance Co PLC	143,771	0.67	-	-
Cargo Boat Development Co PLC	142,457	0.66	83,100	0.65
Mr E.K.A.Nandasena	128,714	0.60	-	-
Mr M.M.Fuad	114,141	0.53	55,400	0.43
Mr S.J.Thebuwana	111,785	0.52	-	-
Waldock Mackenzie Ltd/Hi Line Trading (Pvt) Ltd	111,085	0.51	-	-
Pershing LLC S/a Averbach Grauson & Co	105,000	0.49	-	-
Greenstone Private Ltd	102,342	0.47	-	-
Ms N.T.M.S.Cooray	100,000	0.46	-	-
Capital Alliance Holdings Ltd	100,000	0.46	-	-
Total:	15,714,995	72.75	7,060,594	55.78

Major Non voting Shareholders as at 31st March 2010

Name	No of Shares	%
Renuka Agro Exports Ltd	940,170	52.23
Mr M.R.M.M.Riskhan	50,100	2.78
Mr L.Ai Naqib	28,500	1.58
Mr K.C.Vignarajah	48,381	2.69
Mr E.S.De.Soyasa	38,800	2.16
Mrs S.Vignarajah	30,410	1.69
Mr H.M.S.M.Herath	30,000	1.67
Mr M.M.M.Makeen	20,000	1.11
Mr R.K.Gopalapillai	20,000	1.11
Mr K.M.S.M.Razeek	19,928	1.11
Alliance Finance Co PLC	15,350	0.85
Mrs H.U.Srikanthi	15,000	0.83
Mr P.H.D.Waidyatilaka	14,285	0.79
Mr A.R.M.Iqbal	14,023	0.78
Mrs B.A.P.Wijyaratne	12,964	0.72
Tranz Dominion L.L.C	12,363	0.69
Mr M.I.M.Ai Taf	11,180	0.62
Mr M.R.Rasheed	10,642	0.59
Mr T.Nagarajan	10,600	0.59
Mr K.S.D.Senaweera	9,800	0.54
Total :	1,352,496	75.13

NOTICE OF MEETING

Notice is hereby given that the 20th Annual General Meeting of the Company will be held at the Sri Lanka Foundation Institute No.100 Independence Square, Colombo 7 on the 27th September 2010 at 3 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 Article No.102 of the Articles of Association and is not seeking re-election.
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 Rs.1/= per share
5. To authorize the directors to determine the contribution to charity.
6. To re- appoint KPMG Ford Rhodes Thornton & Co as auditors & authorize the Directors to determine their remuneration.

Special resolution

1. "to amend the Articles of Association of the Company to keep in line with the new Companies Act No.7 of 2007 and the requirements of the Colombo Stock Exchange"

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 3 p.m. on 25th September being the time appointed for the holding of the meeting.

FORM OF PROXY

I/We
of
being a member / members of Coco Lanka PLC, hereby appoint:

- Dr S.R.Rajiyah (or failing him)
- Mrs I.R.Rajiyah (or failing her)
- Mr S.V.Rajiyah (or failing him)
- Mr C.J.De.S.Amaratunge (or failing him)
- Mr L.M.Abeywickrama (or failing him)
- Mr P.C.K.Abeykoon (or failing him)
- Mr S.Vasantha Kumara (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 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.		
03	To re-elect Mr. C.J.De.S.Amaratunge.		
04	It is resolved to declare a dividend of Rs 1/=per share.		
05	To re- appoint KPMG Ford Rhodes Thornton & Co as auditors & authorize the Directors to determine their remuneration		
01	Special resolution To amend the Articles of Association of the Company to keep in line with the new Companies Act No.7 of 2007 and the requirements of the Colombo Stock Exchange.		

Dated this.....day of.....2010

.....
Signature of Shareholder

- (a) A proxy need not 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 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 No.69 Sri Jinaratana Road, Colombo 2. for registration.

CORPORATE INFORMATION

Name of Company

Coco Lanka PLC

Registration No.

PQ 126

Legal Form

Quoted public company with limited liability

Board of Directors

Dr S.R.Rajiyah

Mrs. I.R.Rajiyah

Mr C.J.De.S.Amaratunge

Mr P.C.K.Abeykoon

Mr S.V.Rajiyah

Mr L.M.Abeywickrama

Mr S.Vasanth Kumara

Company Secretary

M. Sakthivel

Registrars

Secretaries and Registrars Ltd
32A, Sir Mohamed Macan Markar Mawatha,
Colombo 03

Parent Company

Renuka Holdings PLC

Registered Office

"Renuka House"

69 Sri Jinaratana Road,

Colombo 2

Telephone: 2314750-5

Email: info@renukagroup.com

Fax: 2445549

Postal Address

P.O.Box 25, Colombo

Stock Exchange Listing

Colombo Stock Exchange

Investment Committee

Dr S.R.Rajiyah (Chairman)

Mrs I.R.Rajiyah

Mr S.V.Rajiyah

Mr L.M.Abeywickrama

Mr S.Vasanth Kumara

Audit Committee

Mr C.J.De.S.Amaratunge

Mr P.C.K.Abeykoon

Mr L.M.Abeywickrama

Remuneration Committee

Mr C.J.De.S.Amaratunge

Mr L.M.Abeywickrama

Auditors

KPMG Ford Rhodes & Thornton Co

Chartered Accountants

Legal Consultants

Dissanayake & Amaratunge Associates

Attorneys at Law

Bankers

National Development Bank PLC

Commercial Bank of Ceylon PLC