



# CM Holdings PLC

Annual Report  
2023/2024



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## Chairman's Review

On behalf of the Board of Directors it gives me great pleasure to welcome you to the Company's 112th Annual General Meeting and present you the Annual Report and Audited Financial Statements of the Company for the year ended 31st March 2024.

The Sri Lankan economy recovered during the financial year from its worst economic crisis in 2022 witnessing stability over variety of sectors. The Government's ties with the IMF program led to progressive developments in the domestic and external debt optimization plans along with stability in various macro-economic conditions. Inflation was brought under control during the financial year reaching single digits leading to the Central Bank's decision to lower interest rates gradually to propel economic growth following the continuous negative growth rates recorded in the economy since the crisis unfolded. Low interest rates are expected to revive stagnant business performance in the forthcoming periods leading to better consumer activity and positive economic growth. Exchange rates were maintained at stable levels with minimal volatility as the country received foreign currency inflows from the rebounding tourism sector and savings from non-payment of external debt.

The Group recorded a revenue of Rs 306 million for the year under review an increase of 11% from the previous year's revenue of Rs. 276 million. Increase in rental income primarily contributed towards the marginal increase in revenue of the Group. The import ban on motor vehicles continued throughout the financial year restricting the contribution towards achieving maximum revenue potential from the motor segment. The motor business operated with its limited capacity by generating revenue streams through servicing motor vehicles and sale of spare parts. The import restrictions are expected to be lifted at the latter part of the forthcoming financial year paving the way towards higher revenue potential.

Operating profit surged to Rs. 322 million during the financial year in comparison to previous years Rs. 94 million. This was owing to significant fair value gains recognized during the period from the listed shares in the investment portfolio of the Group and the increase in dividend income earned. The All-

share price index of the Colombo Stock Exchange performed well to close at 11,444 points in March 2024 compared to 9,301 points in March 2023 resulting in higher dividends and fair value gains. The Group ended the year with a pre-tax profit of Rs. 243 million in comparison to Rs. 108 million in the preceding year which is an increase of 126% recorded amidst a recovering business environment despite existing challenges in the motor segment.

The Company earned a rental income of Rs. 83 million which is an increase of 32% in comparison to the previous year income of Rs. 63 million. This increase is the highest year on year increase in revenue from the property segment in the past 5 years. The Company has rented all available space at its Union Place property as of 31st March 2024 and will explore opportunities to expand its rentable space for more revenue streams in the future. The Company paid an interim dividend of LKR 5.00 per share in March 2024 consistent with prior year dividends.

It is with profound regret that I record the demise of Mr. Alagarajah Rajaratnam who served on the Board from year 1998 and served as Chairman from 2004 until he relinquished such position in June 2022 and continued to serve on the Board until the time of his demise. He provided leadership and made an enormous contribution to the growth of the Company. We shall all miss his wise counsel, judgement and leadership.

I wish to extend my sincere appreciation to my colleagues on the Board for their expertise and guidance and thank our valued shareholders and all business stakeholders for their trust and confidence placed in our business as we venture into the next financial year.

**S. D. R. Arudpragasam**  
*Chairman*

26th August 2024.

# Management Review and Analysis

## Operating Environment

The year under review witnessed the gradual recovery of the Sri Lankan economy preceded by the financial crisis faced by the country in 2022. The Sri Lankan Government and the Central Bank of Sri Lanka (CBSL) implemented key policies in line with the International Monetary Fund (IMF) program towards economic recovery and stability. The Government's extended fund facility program with the IMF reached key milestones with significant progress in the domestic debt optimization and a positive response from the Official Creditors Committee in relation to external debt. The political landscape of the Country witnessed a level of stability which supported the IMF program to progress at a welcoming pace.

The policy decisions from the Government and the CBSL helped curb inflation to single digits from peak levels in 2022/2023. Interest rates declined significantly throughout the financial year due to monetary policy easing following the announcement of rate hikes during the previous financial year to battle soaring inflation. Currency exchange rates were stable during the financial year as economic activities returned to normality supported by a steady flow of foreign exchange with rebounding tourism and better inflow of remittances through banking channels. Similarly gross official reserves at the CBSL improved throughout the financial year along with exchange stability paving the way for the government to lift multiple import restrictions enacted during the financial crisis in stages except for the import of motor vehicles. The Government's tax policies introduced during the period with the aim to collect much needed state revenue posed challenges to individuals and businesses alike with significant increases in both direct and indirect taxes resulting in rising costs and limiting consumer purchasing capacity.

## Sector Review

### Motor Sector

It was yet another challenging year for the motor segment with the ban imposed on the import of motor vehicles being extended during the financial year 2023/2024. The loss of revenue from the sale of motor vehicles has continued to impact the Group's topline significantly. The motor segment continued to operate with its vehicle maintenance business and spare part sales to manage revenue and cashflow during the financial year.

Revenue from servicing of motor vehicles and sale of spares increased by 4% during the year despite the challenges in the operating environment in terms of costs and retention of skilled labour. Gross profit from the motor segment increased marginally by 12% from Rs. 111 million in the previous year to Rs. 124 million in the current year. The segment had to bear high finance costs despite falling interest rates due to existing high levels of borrowings. This will significantly improve once import restrictions are lifted as cash flows from motor vehicle sales will aid in the settlement of the current debt.

The segment is expected to rebound in performance during the latter part of the new financial year as import restrictions are expected to be lifted gradually over the year and to be completely lifted eventually with the improvement in the economy and inflow of foreign exchange. The motor segment will focus on the current business operations at hand and will continue to function efficiently with limited scope until such time where import restrictions are fully lifted, and sale of motor vehicles return to normality.

## Investment and Property Sector

The investment portfolio of the Group performed well during the financial year with investor interest returning to listed equities over fixed income options. The All-share price index (ASPI) of the Colombo Stock Exchange (CSE) closed at 11,444 points as of 31st March 2024 in comparison to 9,301 points in 2023 which is an increase of 23%. The market indices of the Colombo Stock Exchange recovered from its volatile state in the previous financial year crippled by the financial crisis. Positive impacts from low interest rates and sustainable inflation levels in combination with a stable political environment resulted in an upward movement in both indices of the CSE. Falling treasury bill rates and fixed income returns due to low interest rates shifted some investor interest back into listed equity stocks as a comparatively better investment option. The investment portfolio of the Group performed in line with the upward movement of the indices resulting in significant fair value gains from the listed investments of the Group. Fair value gains from the listed equity portfolio increased to Rs. 165 million for the financial year 2023/2024 from Rs. 8 million in 2022/2023. Dividend income increased to Rs. 113 million from Rs. 68 million in the previous financial

## Management Review and Analysis

year which is an increase of 67%. With progress in the macroeconomic conditions and with a strong focus on the ongoing IMF program it can be expected that the indices will further improve and reach new milestones in the next financial year provided political and economic stability is sustained.

The property segment of the Group made good progress during the financial year by securing new tenancy agreements and was able to achieve full occupancy of all rentable space available at the Union Place property. The long-term rental agreements secured with the respective tenants will ensure a continuous stream of revenue and cashflows to the Group leading to less volatility in cash generation and working capital management. Rental income increased by 32% during the year under review from Rs 63 million in 2022/2023 to Rs. 83 million in 2023/2024. Rental rates are expected to grow continuously in the future in line with increasing demand for commercial space in Colombo for business activities. The Company continues to explore long term opportunities to maximize return from its property at Union Place by adding more real estate capacity to further expand on revenue streams.

### Financial Performance

The Group recorded a revenue of Rs 306 million for the year under review an increase of 11% from the previous year's revenue of Rs. 276 million. The increase in revenue recorded was a result of increased rental income from the property segment and the marginal increase in revenue from the motor segment.

The Group recorded an operating profit of Rs. 322 million an increase of 242% from previous year's Rs. 94 million. The increase in operating profit was mainly attributable to the significant fair value gains recognized on financial assets classified as Fair Value through Profit or Loss and dividend income received during the year under review. The ASPI moved by 23% in 2023/2024 in comparison to 4.5% in 2022/2023. The total investment portfolio of the Group was recorded at Rs. 2.89 billion (FVTPL and FVOCI) for the year under review compared to Rs 2.12 billion in 2022/2023. The gearing ratio of the Group was recorded at 18.55% in comparison to 19.2% In the preceding year. All Borrowings were attributable to the motor segment and there were no borrowings in the property and investment segments. The Company distributed Rs. 76,000,000/- in Dividends for 2023/2024 at Rs. 5 per share.

## Board of Directors

### **S. D. R. Arudpragasam**

#### **Chairman**

*FCMA (UK)*

Mr. S.D.R. Arudpragasam joined the Board of C M Holdings PLC in 1999 and was appointed Deputy Chairman in November, 2012 and as Chairman effective 1st July 2022. Further, whilst being associated with The Colombo Fort Land and Building Group of companies since 1982 and having served on the Board of The Colombo Fort Land and Building PLC (CFLB) since the year 2000 and as Deputy Chairman up to end June 2022 was appointed Chairman CFLB with effect from 1st July 2022. He also serves as Chairman Lankem Ceylon PLC and Chairman/Managing Director of E.B. Creasy & Company PLC in addition to holding other Directorships within the CFLB Group.

Mr. Arudpragasam is a Fellow of the Chartered Institute of Management Accountants (UK)

### **Dr. J. M. Swaminathan**

#### **Director**

*Attorney-at-Law, LLB (Ceylon), LLM, M. Phil. (Colombo) and LLD (Honoris Causa)*

Dr. J. M. Swaminathan is an Attorney-at-Law with over 60 years in practice and has recently been conferred the honour of being appointed a Senior Instructing Attorney-at-Law by His Excellency the President. He was the former Senior Partner of Messrs. Julius & Creasy. He was a Member of the Office for Reparations Sri Lanka. He has served as a Member of the Law Commission of Sri Lanka and Member of the Council of Legal Education and the Council of the University of Colombo. He is also a Member of the Company Law Advisory Commission and The Intellectual Property Law Advisory Commission and a Member of the Board of Management of the Superior Court Complex. He is the Chairman of the Board of Studies of the Council of Legal Education and was also a Consultant at the Institute of Advanced Legal Studies of the Council of Legal Education. He is a Member of the Visiting Faculty of the LLM Course of the University of Colombo. He also serves on the Boards of several public and private companies.

Dr. James Swaminathan is an Attorney-at-Law, holds LLM and M Phil from the University of Colombo and LLB from the University of Ceylon. He has also been conferred the Degree of LLD (Honoris Causa) by the University of Colombo.

### **A. M. de S. Jayaratne**

#### **Director**

*B.Sc. (Econ), FCA (Eng. and Wales), FCA (ICASL)*

Mr. A.M. de S. Jayaratne having joined the Board in 1981 was appointed Chairman in 1998. He resigned in the year 2003 and rejoined the Board in 2005. He is a former Chairman of Forbes & Walker Ltd, Colombo Stock Exchange, Ceylon Chamber of Commerce and The Finance Commission. He also served as Sri Lanka's High Commissioner in Singapore. Mr. Jayaratne is a Director of several listed and unlisted companies.

He holds a Bachelor of Science Degree in Economics and is a Fellow of the Institute of Chartered Accountants of England and Wales and of Sri Lanka.

### **S. Rajaratnam**

#### **Director**

*B.Sc., CA*

Mr. Sanjeev Rajaratnam was appointed to the Board in the year 2007. He currently holds the position of Joint Managing Director of E.B. Creasy & Company PLC amongst several other Directorships including The Colombo Fort Land & Building PLC.

Mr. S. Rajaratnam holds a Bachelor of Science Degree in Business Administration from Boston College, U.S.A. and is a Member of the Institute of Chartered Accountants in Australia.

### **Anushman Rajaratnam**

#### **Director**

*B.Sc. (Hons.), CPA, MBA*

Mr. Anushman Rajaratnam was appointed to the Board in October 2013. He is at present the Group Managing Director of The Colombo Fort Land & Building PLC (CFLB). In addition, he serves on the Boards of several subsidiary companies of the CFLB Group. Prior to joining the CFLB group, he worked overseas for a leading global Accountancy Firm.

He holds a Bachelor of Science degree in Economics from the University of Surrey, UK, CPA Australia and MBA from Massachusetts Institute of Technology USA.

### **R. M. M. J. Ratnayake**

#### **Director**

*FCMA, CGMA, MBA*

Mr Mohan J Ratnayake was appointed to the Board on 1st November 2022. He had his education in St. Joseph's College, Colombo. He was the Chairman of the Committee which issued Sri Lanka's first internationally listed USD Bond by a corporate entity- Sri Lanka Telecom PLC which traded on the Singapore Stock Exchange. This was when the Sovereign had not been rated by international rating agencies. He currently serves as the Managing Director of Colonial Motors Ceylon Ltd and as the Chairman of Lanka Realty Investment PLC. He also serves as an Independent Non Executive Director of ACL Plastics PLC and UB Finance PLC. He continues to serve on several Boards and chairs audit committees and other statutory Committees. He further served on the Board of a state owned entity in the export sector. He has expertise in the fields of Tea Exports, Tea Plantations and Telecommunications. He held the position of Deputy Chairman of a listed financial Institute falling under the purview of the Central Bank of Sri Lanka.

Mr. Mohan Ratnayake is a Fellow Member of the Chartered Institute of Management Accountants UK, a Chartered Global Management Accountant and has read for a MBA.

# Corporate Governance

The business and affairs of the Company and its subsidiaries are managed and directed with the objective of balancing the attainment of corporate objectives with the alignment of corporate behaviour within the legal good governance framework of the industry and the country and also the accountability to shareholders and responsibility to other stakeholders.

We present below the Corporate Governance practices adopted and practiced by C M Holdings PLC, in accordance with those listed in the code of Best Practice on Corporate Governance issued by The Institute of Chartered Accountants of Sri Lanka and the rules on Corporate Governance set out in the Colombo Stock Exchange Listing Rules.

## 1. BOARD

### Composition of the Board

The Directors are from varied business and professional backgrounds. Their expertise enables them to exercise independent judgement and their views carry substantial weight in decision making. The Board currently comprises of six Non-Executive Directors of whom two are Independent. These Directors are listed below:

Mr. S.D.R. Arudpragasam – Chairman- Non-Executive  
Dr. J. M. Swaminathan - Independent Non-Executive  
Mr. A. M. de S. Jayaratne - Independent Non-Executive  
Mr. S. Rajaratnam - Non- Executive  
Mr. Anushman Rajaratnam - Non-Executive  
Mr. R. M. M. J. Ratnayake - Non-Executive  
Mr. A. Rajaratnam - Non-Executive (Deceased - 26.08.2023)

### Attendance

The Board met six times during the year under review. In addition to Board Meetings, matters are also referred to the Board and decided by Resolutions in Writing.

The number of meetings of the Board and the individual attendance by members is shown below:

Mr. S. D. R. Arudpragasam	6/6
Dr. J. M. Swaminathan	6/6
Mr. A. M. de S. Jayaratne	4/6
Mr. S. Rajaratnam	3/6
Mr. Anushman Rajaratnam	4/6
Mr. R. M. M. J. Ratnayake	5/6
Mr. A. Rajaratnam (Deceased 26.08.2023)	0/4(Excused)

Each Non-Executive Director has submitted a declaration of their independence / non-independence for the year. The Board makes a determination annually as to the independence / non independence of each Non-Executive Director.

### Independent Non- Executive Directors

Dr. J. M. Swaminathan has served on the Board of the Listed Entity and on the Boards of certain subsidiary companies for more than nine years. He also serves on the Boards of certain subsidiaries of C M Holdings PLC where a majority of the Directors of the Company are on the Boards of the subsidiaries. He also serves on other listed entities in which a majority of the Directors of the Company are Directors. Dr. J.M. Swaminathan is also over seventy years of age. However, the Directors, having considered the fact that Dr. Swaminathan is not involved in the Management of the Company and having taken into consideration all other circumstances listed in the Rules pertaining to the Criteria for Defining Independence, is of the opinion that Dr. J. M. Swaminathan is nevertheless Independent.

Mr. A.M. de S. Jayaratne is a Director of the Parent Company, The Colombo Fort Land & Building PLC (CFLB) and has served on its Board, the Board of the Listed Entity and on the Board of certain subsidiary companies of the Parent Company for more than nine years. He also serves on the Boards of certain subsidiaries of C M Holdings PLC where a majority of the Directors of the Company are on the Boards of the subsidiary companies. Further, he serves on the Boards of certain other subsidiary companies of the Parent Company in which a majority of the Directors serve on the Board of another and certain companies which have significant shareholdings in another within the CFLB Group. Mr. Jayaratne is also over seventy years of age. The Board however, having considered that Mr. A.M. de S. Jayaratne is not directly involved in the management of the Company and having taken into consideration all other circumstances listed in the Rules pertaining to the Criteria for Defining Independence, is of the opinion that Mr. A. M. de S. Jayaratne is nevertheless Independent.

### Fit & Proper Assessment

The Company's fit and proper assessment for Directors and the CEO are in line with the guidelines set out in the Listing Rules and include criteria on honesty, integrity and reputation, competence and capability and financial soundness. The Chairman, Directors and the CEO satisfy the fit and proper assessment criteria stipulated in the Listing Rules of the CSE.

### Availability of Formal Schedule of Matters and Decision Making of the Board

The Code of Best Practice on Corporate Governance of the The Institute of Chartered Accountants of Sri Lanka suggests that the Board should have a formal schedule of matters especially reserved for its decision making.

The Board is responsible for:

- Determining the strategic direction of the Company and also setting the corporate values.
- Implementation and monitoring of business strategy of the Company.



- Ensuring of an effective internal control system and a proactive risk management system.
- Ensuring compliance with ethical, legal, health, environment and safety standards.
- Approval of Interim and Annual Financial Statements.
- Approval of budgets, corporate plans, major capital investments, divestments and acquisitions

The Directors have made themselves aware of applicable laws rules and regulations and are aware of changes particularly to the Listing Rules and applicable Capital Market provisions.

### Chief Executive Officer (CEO)

Mr. Arosh Azariah Chief Executive Officer of the Company is in charge of and responsible for the operational matters of the Company.

### Company Secretaries and Independent Professional Advice

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

### Independent Judgement

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

### Financial Acumen

The Board includes five Finance Professionals who possess the knowledge and the competence to offer the Board the necessary guidance on matters of finance.

### Nomination Committee and Appointments to the Board

New Directors are proposed for appointment by the Nomination Committee in consultation with the Chairman of the Company and in keeping with the provisions of the Articles of Association of the Company and in compliance with the rules on Governance.

The details of new appointments and any changes to the Board are made available to the shareholders by making announcements to the Colombo Stock Exchange.

The Company's Nomination Committee comprises of Dr. J.M. Swaminathan, Chairman, Mr. A.M. de S. Jayaratne, Independent Non-Executive Directors and Mr. S.D.R. Arudpragasam, Non-Executive Director.

### Re-election of Directors

In terms of the Articles of Association any Director appointed by the Board holds office until the next Annual General Meeting at which he seeks re-election by the Shareholders.

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

A Director appointed to the office of Chairman, Managing or Joint Managing Director shall not whilst holding that office be subject to retirement by rotation.

### Directors - Other Directorships

The details pertaining to the names of the Companies (in Sri Lanka) in which the Directors serve as a Director or Key Management personnel is presented on pages 8 to 12.

## 2. DIRECTORS' REMUNERATION

### Remuneration Committee

The Remuneration Committee comprises of Dr. J.M. Swaminathan, Chairman, Mr. A. M. de S. Jayaratne, Independent Non-Executive Directors and Mr. S.D.R. Arudpragasam, Non-Executive Director.

The Remuneration Committee Report is set out on page 14 of this Report.

### Disclosures

Aggregate remuneration paid to Directors is disclosed in Note 24 to the Financial Statements on page 95.

## 3. RELATIONSHIP WITH SHAREHOLDERS

### Constructive use of AGM / General Meetings

The Board considers the Annual General Meeting/ General Meetings an opportunity to communicate with shareholders and encourages their participation. Questions raised by the shareholders are answered and an appropriate dialogue is maintained with them.

### Major Transactions

There have been no transactions during the year under review which falls within the definition of 'Major Transactions' as set out in the Companies Act No. 07 of 2007.

### Others

The Company's principal communicator with all its stakeholders is its Annual Report and Quarterly Financial Statements.

### Price Sensitive Information

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

# Corporate Governance

## 4. ACCOUNTABILITY AND AUDIT

### Financial Reporting

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

### Disclosures

The Annual Report of the Board of Directors is given on pages 16 to 18 in this Report. The Auditors' Report on the Financial Statements is given on pages 20 to 23 of the Report.

### Going Concern

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

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

### Audit Committee

The Audit Committee Report is set out on page 13 of this Report.

### Related Party Transactions Review Committee

The Related Party Transactions Review Committee Report is set out on page 15 of this Report.

The Related Party Transactions are disclosed in Note 32 to the financial statements.

### Internal Control

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

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

## 5. DIRECTORS OTHER DIRECTORSHIPS

The details pertaining to the names of the Companies (in Sri Lanka) in which the Directors serve as a Director or Key Management personnel is presented on pages 8 to 12.

The following table illustrates the total number of Board seats held by each Director of the Company.

### Abbreviations:

C	- Chairman
DC	- Deputy Chairman
EC	- Executive Chairman
EX	- Executive Director
NE	- Non-Executive
IN	- Independent Non-Executive Director

GMD - Group Managing Director

MD - Managing Director

JMD - Joint Managing Director

CEO - Chief Executive Officer

D - Director

Alt - Alternate Director

COMPANIES	Mr. S.D.R. Arudpragasam		Dr. J.M. Swaminathan		Mr. A.M.de.S. Jayaratne		Mr. Sanjeev Rajaratnam		Mr. Anushman Rajaratnam		Mr. R.M.M.J. Ratnayake	
The Colombo Fort Land and Building PLC *	✓	C/NE			✓	INE	✓	NE	✓	GMD/EX		
C M Holdings PLC *	✓	C/NE	✓	INE	✓	INE	✓	NE	✓	NE	✓	NE
York Arcade Holdings PLC *	✓	C/NE			✓	INE	✓	NE	✓	NE		
Lankem Ceylon PLC *	✓	C/NE							✓	EX		
Lankem Developments PLC *	✓	C/NE			✓	INE			✓	NE		
Kotagala Plantations PLC *	✓	C/NE			✓	INE			✓	NE		
Agarapatana Plantations PLC*	✓	C/NE			✓	INE			✓	NE		
E.B. Creasy & Company PLC *	✓	C/MD/EX			✓	INE	✓	JMD/EX				
Muller & Phipps (Ceylon) PLC*	✓	C/NE					✓	NE				
Laxapana PLC (formerly known as Laxapana Batteries PLC)*	✓	C/NE					✓	NE				
Beruwala Resorts PLC*	✓	C/NE					✓	NE	✓	NE		
Marawila Resorts PLC *	✓	C/NE					✓	NE	✓	NE		

COMPANIES	Mr. S.D.R. Arudpragasam		Dr. J.M. Swaminathan		Mr. A.M.de.S. Jayaratne		Mr. Sanjeev Rajaratnam		Mr. Anushman Rajaratnam		Mr. R.M.M.J. Ratnayake	
Sigiriya Village Hotels PLC*	✓	C/NE					✓	NE	✓	NE		
C W Mackie PLC *	✓	NE			✓	INE	✓	NE	✓	NE		
ACME Printing & Packaging PLC*	✓	NE	✓	D					✓	NE		
Colombo Fort Investments PLC *	✓	C/NE	✓	INE	✓	INE	✓	NE	✓	NE		
Colombo Investment Trust PLC *	✓	C/NE	✓	INE	✓	INE	✓	NE	✓	NE		
Alliance Five (Private) Limited *	✓	C							✓	D		
American Lloyd Travels Limited *	✓	D					✓	D	✓	D		
Associated Farms (Private) Limited*	✓	C										
ACME Packaging Solutions (Pvt) Limited*	✓	D	✓	D					✓	D		
B.O.T. Hotel Services (Private) Limited *	✓	C			✓	D	✓	D				
C. F. Travels Limited *							✓	D				
C. W. M. Hotels Holdings Limited	✓	D			✓	D			✓	D		
Candy Delights Limited *	✓	C/MD			✓	D	✓	JMD				
Capital Finance Limited							✓	D				
Capital Investments Limited*	✓	D										
Capital Leasing Company Limited *	✓	C							✓	D		
Century Equity Trust Ltd (formerly Century Investments and Finance Limited)	✓	D										
Ceyflex Rubber Limited	✓	C					✓	D				
Ceylon Tapes (Private) Limited *	✓	C							✓	D		
Ceytape (Private) Limited *	✓	C							✓	D		
Colombo Fort Group Services (Pvt) Limited *	✓	D							✓	D		
Colombo Fort Holdings Limited *	✓	D					✓	D				
Colombo Fort Hotels Limited *	✓	C					✓	D	✓	D		
Colombo Fort Properties (Private) Limited									✓	D		
Colombo Fort Travels Limited *	✓	D					✓	D				
Colombo Residencies (Private) Limited	✓	D										
Colonial Motors (Ceylon) Limited *	✓	DC	✓	D	✓	C	✓	D	✓	D	✓	D
Company Holdings (Private) Limited	✓	D					✓	D				
Consolidated Commercial Investments (Private) Limited							✓	D	✓	D		
Consolidated Holdings (Private) Limited	✓	D							✓	D		
Consolidated Tea Plantations Limited *	✓	D			✓	D			✓	D		
Corporate Systems Limited *	✓	C					✓	D				
Creasy Plantation Management Limited *	✓	D										
Darley Butler & Company Limited *	✓	C/MD			✓	D	✓	JMD				
E B Creasy Ceylon (Private) Limited *	✓	C					✓	D				
E. B. Creasy Logistics Limited *	✓	C					✓	D				

## Corporate Governance

COMPANIES	Mr. S.D.R. Arudpragasam		Dr. J.M. Swaminathan		Mr. A.M.de.S. Jayaratne		Mr. Sanjeev Rajaratnam		Mr. Anushman Rajaratnam		Mr. R.M.M.J. Ratnayake	
E.B. Creasy Trading Limited *	✓	D					✓	D				
Far Eastern Exports (Colombo) Limited	✓	D							✓	D		
Financial Trust Limited							✓	D	✓	D		
Fortland Finance Limited	✓	C					✓	D				
Galle Fort Hotel (Private) Limited *	✓	D					✓	D	✓	D		
Guardian Asset Management Limited *	✓	D					✓	D				
Great Eastern Resorts Ltd							✓	D	✓	D		
Group Three Associate (Private) Limited	✓	C					✓	D				
Horton Plains Resorts and Spa Limited									✓	D		
Imperial Hotels Limited *	✓	C					✓	D	✓	D		
J.F.Packaging Limited *	✓	C							✓	D		
JF Ventures Limited *	✓	C							✓	D		
Kiffs (Private) Limited *	✓	C							✓	D		
Lanka Special Steels Limited *	✓	C					✓	D				
Lankem Agrochemicals Limited *	✓	C							✓	D		
Lankem Cargo Storage Limited *	✓	D							✓	D		
Lankem Chemicals Limited *	✓	C							✓	D		
Lankem Consumer Products Limited *	✓	C							✓	D		
Lankem Exports (Private) Limited *	✓	C										
Lankem Minerals Limited *	✓	C							✓	D		
Lankem Paints Limited *	✓	C							✓	D		
Lankem Plantation Services Limited *	✓	D										
Lankem Research Limited *	✓	C							✓	D		
Lankem Tea & Rubber Plantations (Pvt) Limited *	✓	C			✓	D			✓	D		
Lankem Technology Services Limited *	✓	C										
Maitland & Knox (Private) Limited *	✓	D					✓	D	✓	D		
Mayfield Investments (Private) Limited									✓	D		
Motor Mart Ceylon (Private) Limited	✓	D					✓	D	✓	D	✓	D
Muller & Phipps (Health Care) Limited (formerly known as Pettah Pharmacy (Pvt) Limited *	✓	C					✓	D				
Nature's Link Limited	✓	C										
Nutriklim (Ceylon) Limited	✓	D					✓	D				
Oakley Investments (Private) Limited	✓	D					✓	D	✓	D		
Property and Investment Holdings (Private) Limited	✓	D					✓	D	✓	D		
Rubber & Allied Products (Colombo) Limited *	✓	C			✓	D			✓	D		
Sherwood Holidays Limited	✓	C					✓	D				
Sigiriya Resorts Limited *							✓	D	✓	D		

COMPANIES	Mr. S.D.R. Arudpragasam		Dr. J.M. Swaminathan		Mr. A.M.de.S. Jayaratne		Mr. Sanjeev Rajaratnam		Mr. Anushman Rajaratnam		Mr. R.M.M.J. Ratnayake	
SunAgro Farms Limited *	✓	C							✓	D		
SunAgro Lifescience Limited *	✓	C							✓	D		
Sunrise Resorts Limited							✓	D	✓	D		
Teacom (Private) Limited	✓	C							✓	D		
Transways (Private) Limited							✓	D	✓	D		
Tropical Beach Resorts Limited							✓	D	✓	D		
Udaveriya Plantations Limited	✓	D							✓	D		
Unicom Clearing and Forwarding (Private) Limited *	✓	C							✓	D		
Union Commodities (Private) Limited *	✓	C			✓	D			✓	D		
Union Commodities Exports (Pvt) Limited *	✓	C							✓	D		
Union Commodities Teas (Pvt) Limited *	✓	C							✓	D		
Union Group (Private) Limited *	✓	D							✓	D		
Union Investments (Private) Limited	✓	D	✓	D	✓	D	✓	D	✓	D	✓	D
Villa Investments (Private) Limited							✓	D				
Voyages Ceylon (Private) Limited *							✓	D	✓	D		
Waverly Power (Private) Limited *	✓	C			✓	D	✓	D	✓	D		
Weligama Hills Limited *	✓	D							✓	D		
York Conventions (Private) Limited *							✓	D	✓	D		
York Hotel Management Services Limited *	✓	C					✓	D	✓	D		
York Tours Limited							✓	D	✓	D		
Sterling Steels (Pvt) Limited (formerly Bluescope Lysaght Lanka (Private) Limited)	✓	C					✓	D				
Kelani Valley Canneries Limited *									✓	D		
Sunquick Lanka (Pvt) Limited *									✓	D		
Sunquick Lanka Properties (Pvt) Limited *									✓	D		
ACL Plastics PLC											✓	INE
UB Finance PLC											✓	INE
Lanka Realty Investment PLC											✓	C/INE
ACL Cables PLC					✓	INE						
Mireka Capital Land (Pvt) Limited					✓	D						
Overseas Realty (Ceylon) PLC					✓	C/INE						
Innovest Investments (Pvt) Limited					✓	C						
Hotel Sigiriya PLC			✓	INE								
Lanka Aluminum Industries PLC			✓	INE								
Serendib Land PLC			✓	INE								
Eden Hotel Lanka PLC			✓	INE								
Palm Garden Hotels PLC			✓	INE								

## Corporate Governance

COMPANIES	Mr. S.D.R. Arudpragasam	Dr. J.M. Swaminathan	Mr. A.M.de.S. Jayaratne	Mr. Sanjeev Rajaratnam	Mr. Anushman Rajaratnam	Mr. R.M.M.J. Ratnayake
Renuka Holdings PLC		✓	INE			
Dolphin Hotels PLC		✓	INE			
Serendib Hotels PLC		✓	INE			
Alpha Apparels Limited		✓	D			
Benji Limited		✓	D			
Castalloys (PTE) Limited		✓	D			
Centre For Advancement of Resource Mobilization		✓	D			
CIC Agri Businesses (PTE) Limited		✓	D			
Comark engineers (PTE) Limited		✓	D			
Comark Lanka (PTE) Limited		✓	D			
D.V. Investments (Pvt) Limited		✓	D			
Finetex (Pvt) Limited		✓	D			
Frontier Capital Lanka (PTE) Limited		✓	D			
Fulgar Lanka (PTE) Limited		✓	D			
Lanka Investment and Management Services (PTE) Limited		✓	D			
LOLC Securities Limited		✓	D			
Metecno Lanka (Pvt) Limited		✓	D			
Navantis IT (PTE) Limited		✓	D			
Omega Line limited		✓	D			
Residence Peelawatte (PTE) Limited		✓	D			
Serendipity Retreats and Leisure (Pvt) Limited		✓	D			
Sirio Limited		✓	D			
Texlan Center (Pvt) Limited		✓	D			
Texlan Lanka Limited		✓	D			
Venture Investments and Management Services (PTE) Limited		✓	D			

Mr. Alagarajah Rajaratnam (Deceased - 26.08.2023) Non Executive Director of the Company, was the Non-Executive Chairman of Colombo Fort Investments PLC\* and Colombo investment Trust PLC\*. He was also the Chairman of Consolidated Tea Plantations Limited\*, Creasy Plantation Management Limited\*, Lankem Plantation Services Limited\*, Mayfield Investments (Pvt) Limited and Villa Investments (Pvt) Limited.

Further, he was a Non-Executive Director of The Colombo Fort Land & Building PLC\*, Capital Investments Limited\*, Colombo Fort Holdings Ltd\*, Colombo Fort Properties (Pvt) Ltd\*, Lankem Tea & Rubber Plantations (Pvt) Ltd\*, Union Investments (Pvt) Ltd\*, Capital Finance Limited, Company Holdings (Pvt) Ltd, Consolidated Holdings (Pvt) Ltd, Consolidated Trust (Pvt) Ltd, Fortland Finance Ltd, Financial Trust Limited, Oakley Investments (Pvt) Ltd, Udaveriya Plantations Limited and Executive Director of E.B. Creasy and Company PLC, until his demise on 26.08.2023.

Note : the companies marked with an \* are Subsidiaries or Associates of The Colombo Fort Land and Building Group

# Audit Committee Report

The Audit Committee has the responsibility of assisting the Board in fulfilling its overall responsibility to the shareholders in relation to the integrity of the Company's financial reporting process in accordance with the Companies Act and other legislative reporting requirements including the adequacy of disclosures in the financial statements in accordance with the Sri Lanka Accounting Standards. The Audit Committee also has responsibility to ensure that the internal controls of the Company are in accordance with legal and regulatory requirements. The Committee evaluates the performance and the independence of the Company's external audit functions.

## Composition

During the financial year ended 31st March 2024, the Company's Audit Committee comprised of three Non-Executive Directors of whom two are independent. The names of the members are set out below.

Mr. A.M. de S. Jayaratne – Chairman - Independent Non-Executive Director

Dr. J.M. Swaminathan – Member - Independent Non-Executive Director

Mr. S.D.R. Arudpragasam – Member - Non-Executive Director

The Committee Members have a blend of experience in the commercial sector with financial expertise, audit exposure, corporate law and business acumen to carry out their role efficiently and effectively. The Committee consists of two finance professionals.

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

## Role of the Audit Committee

The Audit Committee acts as the advisory to the Board and its main objective is to assist the Board of Directors by giving recommendations to ensure that the Company follows best practices in line with best Corporate Governance practices. The Committee is responsible for ensuring a sound financial reporting system adhering to relevant accounting standards and principles, adequacy of internal controls and risk control measures, efficient management reporting systems and adherence to other statutory requirements. In fulfilling this role, the Audit Committee is empowered to examine the financial records of the Company and other communications as necessary in order to ensure that the Company adheres to accepted norms of ethical guidelines, rules and regulations. The Audit Committee recommends the appointment of

external Auditors ensuring independence and maintains a close professional relationship with them. The Committee also recommends the fees payable to external Auditors.

## Meetings and Attendance

The Audit Committee has met on 05 occasions during the financial year ended 31st March 2024 and the attendance was as follows:

Mr. A. M. de S. Jayaratne - Chairman - 3/5

Dr. J. M. Swaminathan - 4/5

Mr. S. D. R. Arudpragasam - 5/5

In Addition to Audit Committee Meetings, matters are referred to the Committee and reviewed and recommended by Resolutions in Writing.

Other members of the Board, the Chief Executive Officer and Managers from Corporate Managers & Secretaries (Private) Limited are invited to attend meetings as and when required. The proceedings of the Audit Committee are regularly reported to the Board.

## External Audit

The Company has appointed Deloitte Partners (formerly PricewaterhouseCoopers) as its External Auditors and the services provided by them are segregated between audit/ assurance services and other advisory services such as tax consultancy.

Deloitte Partners (formerly PricewaterhouseCoopers) has also issued a declaration as required by the Company's Act No. 07 of 2007 that they do not have any relationship or interest in any of the companies in the Group, which may have a bearing on the independence of their role as Auditors.

The Committee after evaluating the independence and performance of the External Auditors has recommended to the Board the reappointment of Messrs. Deloitte Partners for the financial year ending 31st March, 2025 subject to the approval of the Shareholders at the Annual General Meeting of the Company.



A. M. de S. Jayaratne  
Chairman

Audit Committee  
26th August, 2024

# Remuneration Committee Report

The Remuneration Committee of C M Holdings PLC comprise of the following members.

Dr. J. M. Swaminathan - Chairman - Independent Non-Executive

Mr. A. M. de S. Jayaratne - Member - Independent Non-Executive

Mr. S. D. R. Arudpragasam - Member - Non-Executive

The Remuneration Committee met during the financial year and all the Members were present at the meeting. The main function of the Remuneration Committee is to assist the Board in developing and administering an equitable and transparent method for setting policy on the overall human resources strategy of the Group and the remuneration of Directors and senior management of the Group.

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

The aggregate remuneration of the Executive and Non Executive Directors as at 31st March 2024 is Rs. 4,267,500.



Dr. J. M. Swaminathan

*Chairman*

Remuneration Committee

26th August, 2024



# Related Party Transactions Review Committee Report

The Related Party Transactions Review Committee (RPTRC) is entrusted with the responsibility of ensuring that the interest of the Shareholders, are taken into consideration when entering into Related Party Transactions.

## Composition

The Related Party Transactions Review Committee of the Parent Company, The Colombo Fort Land & Building PLC (CFLB) functions as the Company's Related Party Transactions Review Committee which comprises of the following members:

Mr. A.M. de S. Jayaratne - Chairman - Independent Non-Executive Director, CFLB

Mr. S.D.R. Arudpragasam - Member - Non- Executive Director, CFLB

Mr. C.P.R. Perera - Member - Independent Non-Executive Director, CFLB

The Company's Secretaries, Corporate Managers & Secretaries (Private) Limited, functions as the Secretaries to the Related Party Transactions Review Committee.

Further, Representatives from Corporate Managers & Secretaries (Private) Limited, Managers & Secretaries and other Directors and senior management personnel are invited to the meetings as and when required.

## Meetings of the Committee

The Related Party Transactions Review Committee has met on 4 occasions in respect of C M Holdings PLC during the financial year ended 31st March, 2024 and the attendance was as follows:

Mr. A.M. de S. Jayaratne - Chairman - 3/4

Mr. S.D.R. Arudpragasam - 4/4

Mr. C.P.R. Perera - 4/4

Further during the said period, the RPTRC has reviewed and recommended Related Party Transactions in respect of C M Holdings PLC by Resolutions in writing.

The activities and views of the Committee are communicated on a regular basis to the Board of Directors.

## Policies, Procedures and Functions of the Committee

The policies and Procedures adopted by the Related Party Transactions Review Committee when reviewing and recommending transactions are consistent with Section 9.14 of the Listing Rules of the Colombo Stock Exchange.

The functions of the Committee are as follows,

- To identify the persons/entities considered to be Related Parties.
- Review all proposed Related Party Transactions. (Except for transactions which are exempted)
- Advise Management on Related Party Transactions and where necessary direct the transactions for Board approval / Shareholder approval as deemed appropriate.
- Obtain updates on previously reviewed Related Party Transactions from Senior Management and approve any material changes.
- Establish guidelines for Senior Management to follow in ongoing dealings with Related Parties.
- Review and assess on an annual basis the transactions for Compliance against the Committee guidelines.

## Conclusion

The Related Party Transactions Review Committee has reviewed the Related Party Transactions entered into during the financial year under review and has communicated its comments and observations to the Board of Directors.

Related Party Transactions will be reviewed and disclosed in a manner consistent with the Listing Rules. The Committee is free to seek external professional advice on matters within their purview when necessary.

The Board of Directors have also declared in the Annual Report that there were no recurrent related party transactions which exceeded the respective disclosure thresholds mentioned in Section 9.14 of the Colombo Stock Exchange Listing Rules. However non recurrent related party transactions which exceeded the respective thresholds are duly disclosed on page 103 of the Annual Report.

The Company has complied with the requirements of the Listing Rules on Related Party Transactions..



A. M. de S. Jayaratne  
Chairman

Related Party Transactions Review Committee  
26th August, 2024

# Annual Report of the Board of Directors

The Board of Directors of C M Holdings PLC present their Report on the affairs of the Company together with the Audited Financial Statements for the year ended 31st March, 2024.

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

## General

The Company was re-registered on 1st July, 2008 as required under the Companies Act No. 07 of 2007.

## Principal Activities /Business Review

The principal activities of the Company together with those of its subsidiary companies are given in Note 1 to the Financial Statements on page 29 A review of the Company's business and its performance during the year with comments on financial results is contained in the Chairman's Review and Management Review & Analysis which together with the financial statements reflects the state of affairs of the Company.

The Directors to the best of their knowledge and belief confirm that the Company has not engaged in any activities that contravene laws and regulations and prudential requirements and that there are no material non-compliances.

## Financial Statements

The Financial Statements of the Company and the Group are given on pages 24 to 103.

## Auditors' Report

The Auditors' Report on the Financial Statements is given on pages 20 to 23.

## Accounting Policies

The Accounting Policies adopted in the preparation of the Financial Statements are given on pages 29 to 51.

## Interest Register

### Directors' Interest in Transactions

The Directors have made general disclosures as provided for in Section 192(2) of the Companies Act No. 07 of 2007. Arising from this, details of contracts in which they have an interest are disclosed in Note 32 to the Financial Statements on pages 99 to 102.

The Directors further declare that the Company had not entered into any contracts in which the Directors had a material interest.

Neither the Directors nor their close family members have had any material business relationships with other Directors.

## Directors' Interest in Shares

The Directors of the Company who have an interest in the shares of the Company have disclosed their shareholdings and any acquisitions/disposals to the Board in compliance with Section 200 of the Companies Act.

Details pertaining to Directors and Chief Executive Officer's direct shareholdings are set out below.

Name of the Director	No. of Shares As at 31.03.2024	No. of Shares As at 31.03.2023
Mr. A. Rajaratnam (Deceased 26.08.2023)	N/A	-
Mr. S.D.R. Arudpragasam	500	500
Dr. J.M. Swaminathan	561	561
Mr. A.M. de S. Jayaratne	467	467
Mr. S. Rajaratnam	-	-
Mr. Anushman Rajaratnam	-	-
Mr. R.M.M.J. Ratnayake	185	21
Mr. A . S. Azariah - CEO	-	-

## Directors' Remuneration

Directors' remuneration in respect of the Company and the Group for the financial year is given in Note 24 to the financial statements on page 95.

## Directorate

The names of the Directors who held office during the financial year are given below and brief profiles of the Directors currently in office appear on page 5.

Mr. S. D. R. Arudpragasam - Chairman  
Mr. A. Rajaratnam - Director (Deceased – 26.08.2023)  
Dr. J. M. Swaminathan - Director  
Mr. A. M. de S. Jayaratne - Director  
Mr. S. Rajaratnam - Director  
Mr. Anushman Rajaratnam - Director  
Mr. R. M. M. J. Ratnayake - Director

In terms of Article Nos. 88 and 89 of the Articles of Association, Mr. Anushman Rajaratnam retires by rotation and being eligible offers himself for re-election.

Mr. A. M. de. S. Jayaratne, Director being over seventy years of age retires and offers himself for reappointment under and

by virtue of the Special Notice received from a shareholder of the Company which is referred to in the Notice of Meeting.

Dr. J.M. Swaminathan, Director being over seventy years of age retires and offers himself for reappointment under and by virtue of the Special Notice received from a shareholder of the Company which is referred to in the Notice of Meeting.

Mr. S.D.R. Arudpragasam, Director being over seventy years of age retires and offers himself for reappointment under and by virtue of the Special Notice received from a shareholder of the Company which is referred to in the Notice of Meeting.

Mr. A. Rajaratnam, Director expired on 26th August 2023.

### Corporate Donations

No donations were made by the Company for the financial year 2023/2024. (2022/2023 - Nil).

### Auditors

The Financial Statements of the Company for the year have been audited by Messrs. Deloitte Partners (formerly PricewaterhouseCoopers) who were reappointed as Auditors at the Annual General Meeting held on 27th September 2023.

The remuneration payable by the Company and the Group to the Independent Auditors is given in Note 24 to the Consolidated Financial Statements on page 95.

The Directors are satisfied that based on written representations made by the Independent Auditors to the Board, the Auditors do not have any relationship or any interest with the Company and its subsidiaries that would impair their independence.

### Revenue

The Revenue of the Group for the year was Rs. 306 Mn. (2022/2023 - Rs. 276 Mn)

### Results

The Group made a profit before tax of Rs. 243 Mn. against a profit of Rs. 108 Mn. in the previous year. The detailed results are given in the Consolidated Income Statement on page 25.

### Dividends

An Interim Dividend of Rs. 5/- per share for the year ended 31st March, 2024 was paid on 28th March 2024 to the Shareholders registered as at the end of trading on 12th March 2024.

The Board of Directors confirmed that the Company satisfied the Solvency test requirement under Section 56 of the Companies Act No. 07 of 2007 and obtained a Solvency Certificate from the Auditors in respect of the above Dividend.

### Investments

Investments made by the Company and the Group are given in Notes 10 and 11 on pages 59 to 85.

### Property, Plant & Equipment

During 2023/2024 the Group invested Rs. 1.2 Mn. in Property, Plant & Equipment (2022/2023 - Rs. 2.4 Mn.). Further, your Directors are of the opinion that the net amounts at which Land and other Property, Plant & Equipment appear in the Consolidated Balance Sheet are not greater than their market value as at 31st March, 2024.

### Stated Capital

The Stated Capital of the Company as at 31st March, 2024 was Rs. 288,386,885/- and is represented by 15,200,000 issued and fully paid Ordinary Shares.

### Reserves

The total reserves and their composition are set out in Note 17 on pages 89 to 90 to the consolidated Financial Statements.

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

### Taxation

The Group's liability to taxation has been computed in accordance with the provisions of the Inland Revenue Act No. 24 of 2017 and subsequent amendments thereto. Income Tax and other taxes paid and liable by the Group are disclosed in Note 27 on pages 96 and 97.

### Related Party Transactions

During the financial year there were no recurrent related party transactions which exceeded the respective disclosure thresholds mentioned in Section 9.14 of the Colombo Stock Exchange Listing Rules. However there were non recurrent related party transactions which exceeded the respective thresholds which are duly set out in Note 32 on page 103 The Company has complied with the requirements of the Listing Rules on Related Party Transactions.

The Related Party Transactions presented in the Financial Statements are disclosed in Note 32 from page 99 to 103.

# Annual Report of the Board of Directors

## Share Information

Information relating to earnings, dividend, net assets, market value per share and share trading is given on pages 104 and 105.

## Events Occurring after the Reporting Date

Events occurring after the reporting date that would require adjustments to or disclosure are disclosed in Note 33 on page 103.

## Contingent Liabilities and Capital Commitment

Contingent liabilities and capital commitments as at the reporting date are disclosed in Notes 34 and 35 on page 103.

## Employment Policy

The Company does not employ any staff. All operational services are provided by Corporate Managers & Secretaries (Private) Limited who function as Managers & Secretaries of the Company.

## Shareholders

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

## Statutory Payments

The Directors to the best of their knowledge and belief are satisfied that all statutory payments due to the Government in respect of the Company have been made or where relevant provided.

## Internal Control

The Board of Directors takes overall responsibility for the Company's internal control system. The Company and management annually reviews the effectiveness of the Company's internal controls in order to ensure reasonable assurance that assets are safeguarded against unauthorized use or disposal and to ensure all transactions are properly authorized, recorded and maintained. It includes all controls including financial, operational and compliance controls and risk management.

The Board reviews the recommendations of External Auditors and takes appropriate action to maintain an adequate internal control system. However any system can ensure only reasonable and not absolute assurance that errors and irregularities are prevented or detected within a reasonable timeframe.

The Board of Directors has ensured that the financial reporting system has been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes which have been carried out in accordance with Sri Lanka Accounting Standards and Regulatory requirements.

## Going Concern

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

For and on behalf of the Board,



**S. D. R. Arudpragasam**  
Chairman



**Anushman Rajaratnam**  
Director

By Order of the Board,



**Corporate Managers & Secretaries (Private) Limited**  
Secretaries

26th August, 2024

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# Independent Auditor's Report



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www.deloitte.com

## To the Shareholders of C M Holdings PLC. Report on the audit of the financial statements

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### Our opinion

We have audited the financial statements of C M Holdings PLC (the Company) and the consolidated financial statements of the Company and its subsidiaries (the Group). The financial statements of the Company and the consolidated financial statements of the Group comprise:

- » the statement of financial position as at 31 March 2024;
- » the statement of profit or loss for the year then ended;
- » the statement of comprehensive income for the year then ended;
- » the statement of changes in equity for the year then ended;
- » the statement of cash flows for the year then ended; and
- » the notes to the financial statements, which include a summary of material accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company and the Group as at 31 March 2024, and of their financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

### Basis for opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

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

### Independence

We are independent of the Company and the Group in accordance with the Code of Ethics for Professional Accountants issued by the Institute of Chartered Accountants of Sri Lanka ("CA Sri Lanka Code of Ethics"). We have fulfilled our other ethical responsibilities in accordance with the Code of Ethics.

C S Manoharan FCA, T U Jayasinghe FCA, H P V Lakdeva FCA, K M D R P Manatunga ACA, L A C Tillekeratne ACA, M D B Boyagoda FCA,  
N R Gunasekera FCA, W D A S U Perera ACA, D C A J Yapa ACA, Minfaz Hilmy FCA

Regd. Office: P.O. Box 918, 100 Braybrooke Place, Colombo 02, Sri Lanka. Reg. No.: w/4179



**To the Shareholders of C M Holdings PLC (Contd)**  
**Report on the audit of the financial statements (Contd)**

**Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**The Group and Company:**

Key audit matter	How our audit addressed the Key audit matter
<p>Fair value of investments in unquoted equity instruments</p> <p>As at 31 March 2024, the Group and Company's investments in unquoted equity instruments amounting to LKR 543.41 Mn and LKR 477.47 Mn, respectively, represents 11% of the Group's total assets and 20% of the Company's total assets.</p> <p>The unquoted investments comprise equity shares of an investment company for which market prices for similar investments are not available and which has little or no observable inputs and a plantation company. The Group applies the adjusted net asset approach to arrive at the fair value of these investments.</p> <p>The value of the equity investment of the investment company is based on the adjusted net assets. The net assets value itself hinges on the fair value of its investment in subsidiaries. These subsidiaries together hold a property portfolio located island-wide operating within the leisure sector. The fair value of these properties is measured using the market-comparable method.</p> <p>The valuation of the underlying property portfolio is an area of significance due to the subjective nature of the property valuations dependent on certain key valuation assumptions, such as the price ranges at which nearby lands are transacted and the physical state of the buildings.</p> <p>The valuation of the assets in the subsidiaries of the investment company was important to our audit due to the fact that the valuation of properties is inherently judgmental and the relative significance of the value of properties to the subsidiaries' financial statements.</p>	<p>Our procedures to test the valuation of investment in the unquoted equity instruments included the following:</p> <ul style="list-style-type: none"> <li>» Evaluated the competence, independence and objectivity of the valuation experts engaged by management. Evaluated the appropriateness of the valuation methodology adopted by the external valuer by comparing with the methods used in general industry practices for similar properties.</li> <li>» Evaluated the relevance and reasonableness of significant assumptions used in the valuation [i.e. price ranges at which nearby lands are transacted, consideration of other factors such as access to main roads, size of the land extent in one plot, physical state of the buildings, replacement cost per sq ft].</li> <li>» Verified the land values considered by the valuer by corroborating to property market information that is publicly available.</li> <li>» Obtained the audited financial statements of the subsidiaries of the investment company to corroborate the net asset values.</li> </ul>

# Independent Auditor's Report



## To the Shareholders of C M Holdings PLC (Contd) Report on the audit of the financial statements (Contd)

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### Other information

Management is responsible for the other information. The other information comprises the information included in the Annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of management and those charged with governance for the financial statements

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

In preparing the separate/ consolidated financial statements, management is responsible for assessing the Company's/ Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company/ Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and the Group's financial reporting process.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the separate/consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SLAuSs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SLAuSs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- » Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.





## To the Shareholders of C M Holdings PLC (Contd) Report on the audit of the financial statements (Contd)

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- » Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- » Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- » Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate/ consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company/ Group to cease to continue as a going concern.
- » Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the separate/consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- » Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with ethical requirements in accordance with the Code of Ethics regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate/consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on other legal and regulatory requirements

As required by section 163 (2) of the Companies Act, No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company.

CHARTERED ACCOUNTANTS

CA Sri Lanka membership number : 3991

COLOMBO  
26th August 2024

# Statement of Financial Position

(all amounts in Sri Lanka Rupees unless otherwise stated)

	Note	Group		Company	
		31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	6	386,690,284	395,435,000	1,430,829	1,783,640
Investment property	7	1,051,275,711	1,057,935,878	1,051,275,711	1,057,935,878
Capital work in progress	7.1	13,087,187	-	13,087,187	-
Intangible assets	8	4,870,824	4,870,824	-	-
Right of use assets	9	36,769,114	52,527,308	-	-
Investment in subsidiaries	10	-	-	14,000,000	14,000,000
Financial Assets at FVOCI	11	1,783,987,974	1,163,446,347	986,510,881	470,019,139
		3,276,681,094	2,674,215,357	2,066,304,608	1,543,738,657
<b>Current assets</b>					
Inventories	13	148,585,219	152,023,949	-	-
Trade and other receivables	14	177,087,264	581,998,460	194,006,687	604,949,101
Financial assets at fair value through profit or loss	11	1,106,268,411	954,148,822	88,540,144	75,083,603
Income tax receivables		1,110,941	289,849	-	-
Cash and cash equivalents	15	19,453,879	45,653,317	7,581,548	26,499,596
		1,452,505,714	1,734,114,397	290,128,379	706,532,300
<b>Total assets</b>		<b>4,729,186,808</b>	<b>4,408,329,754</b>	<b>2,356,432,987</b>	<b>2,250,270,957</b>
<b>EQUITY</b>					
Stated capital	16	288,386,885	288,386,885	288,386,885	288,386,885
Other reserves	17	936,867,093	841,217,343	180,985,961	157,098,021
Retained earnings	17	2,365,783,331	2,230,919,825	1,823,308,379	1,718,677,254
		3,591,037,309	3,360,524,053	2,292,681,225	2,164,162,160
Non-controlling interest		2,681,173	2,546,365	-	-
<b>Total equity</b>		<b>3,593,718,482</b>	<b>3,363,070,418</b>	<b>2,292,681,225</b>	<b>2,164,162,160</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Borrowings	19	36,594,513	39,837,960	-	-
Deferred income tax liabilities	12	9,969,187	11,259,660	9,969,187	11,259,660
Defined benefit obligations	20	9,352,549	7,963,588	-	-
Lease liabilities	9	24,096,000	30,271,303	-	-
Trade and other payables	18	2,220,850	9,795,882	2,220,850	9,795,882
		82,233,099	99,128,393	12,190,037	21,055,542
<b>Current liabilities</b>					
Trade and other payables	18	256,286,222	139,727,902	31,988,532	33,178,672
Current income tax liabilities		19,573,193	31,874,582	19,573,193	31,874,583
Lease liabilities	9	38,712,543	30,819,233	-	-
Borrowings	19	738,663,269	743,709,226	-	-
		1,053,235,227	946,130,943	51,561,725	65,053,255
<b>Total liabilities</b>		<b>1,135,468,326</b>	<b>1,045,259,336</b>	<b>63,751,762</b>	<b>86,108,797</b>
<b>Total equity and liabilities</b>		<b>4,729,186,808</b>	<b>4,408,329,754</b>	<b>2,356,432,987</b>	<b>2,250,270,957</b>
Net asset value per share	31	236.25	221.09	150.83	142.38

I certify that these financial statements have been prepared in compliance with the requirements of the Companies Act, No. 07 of 2007.



M. V. M. Paulraj  
Director - Corporate Managers & Secretaries (Private) Limited

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:



S. D. R. Arudpragasam  
Chairman



Anushman Rajaratnam  
Director

Date : 26th August 2024

The accounting policies and notes as set out in pages 29 to 103 form an integral part of these financial statements.

## Statement of Profit or Loss

(all amounts in Sri Lanka Rupees unless otherwise stated)

	Note	Group		Company	
		Year ended 31 March		Year ended 31 March	
		2024	2023	2024	2023
Revenue	21	305,685,802	276,430,164	82,996,899	62,888,548
Cost of sales	24	(98,749,794)	(102,712,422)	-	-
<b>Gross profit</b>		<b>206,936,008</b>	<b>173,717,742</b>	<b>82,996,899</b>	<b>62,888,548</b>
Distribution costs	24	(1,614,975)	(543,786)	-	-
Administrative expenses	24	(168,706,684)	(157,821,959)	(40,602,570)	(38,846,670)
Net impairment losses on financial assets	3.4	(2,420,192)	(2,003,895)	-	-
Other income	22	122,690,277	72,277,548	95,625,967	73,669,346
Other gains	23	165,078,266	8,510,025	12,915,644	1,019,131
<b>Operating profit</b>		<b>321,962,700</b>	<b>94,135,675</b>	<b>150,935,940</b>	<b>98,730,355</b>
Finance income	26	60,174,145	114,723,864	60,920,790	117,055,354
Finance costs	26	(139,135,912)	(101,110,461)	-	-
Finance income / costs - net		(78,961,767)	13,613,403	60,920,790	117,055,354
<b>Profit before income tax</b>		<b>243,000,933</b>	<b>107,749,078</b>	<b>211,856,730</b>	<b>215,785,709</b>
Income tax expense	27	(34,683,250)	(58,001,398)	(34,683,249)	(54,038,597)
<b>Profit for the year</b>		<b>208,317,683</b>	<b>49,747,680</b>	<b>177,173,481</b>	<b>161,747,112</b>
Attributable to :					
Owners of the parent		208,052,490	49,744,030	177,173,481	161,747,112
Non - controlling interests		265,193	3,650	-	-
		208,317,683	49,747,680	177,173,481	161,747,112
Earnings per share attributable to owners of the parent during the year					
Basic/ Diluted earnings per share	28	13.69	3.27	11.66	10.64

The accounting policies and notes as set out in pages 29 to 103 form an integral part of these financial statements.

## Statement of Comprehensive Income

(all amounts in Sri Lanka Rupees unless otherwise stated)

	Note	Group		Company	
		Year ended 31 March		Year ended 31 March	
		2024	2023	2024	2023
Profit for the year		208,317,683	49,747,680	177,173,481	161,747,112
Other comprehensive income: Items that will not be reclassified to profit or loss					
Remeasurements of post employment benefit obligations	20	(686,640)	387,057	-	-
Change in fair value of financial assets at FVOCI	11 (d)	95,599,389	183,618,314	23,887,940	28,285,011
Reclassification of FVOCI disposal gain/ (loss) in to retained earnings		(40,012)	-	-	-
<b>Other comprehensive income for the year</b>		<b>94,872,737</b>	<b>184,005,371</b>	<b>23,887,940</b>	<b>28,285,011</b>
<b>Total comprehensive income for the year</b>		<b>303,190,420</b>	<b>233,753,051</b>	<b>201,061,421</b>	<b>190,032,123</b>
Attributable to :					
Owners of the parent		303,055,612	232,503,133	201,061,421	190,032,123
Non - controlling interests		134,808	1,249,918	-	-
<b>Total comprehensive income / (loss) for the year</b>		<b>303,190,420</b>	<b>233,753,051</b>	<b>201,061,421</b>	<b>190,032,123</b>

The accounting policies and notes as set out in pages 29 to 103 form an integral part of these financial statements.

# Statement of Changes in Equity

(all amounts in Sri Lanka Rupees unless otherwise stated)

## (a) Group

	Note	Stated capital (Note 16)	Retained earnings (Note 17 (c))	Other reserves (Note 17 (d))	Total	Non-controlling interest	Total
Balance at 1 April 2022		288,386,885	2,223,504,674	685,368,593	3,197,260,152	1,296,447	3,198,556,599
Profit for the year		-	49,744,030	-	49,744,030	3,650	49,747,680
Other comprehensive income		-	387,057	182,372,046	182,759,103	1,246,268	184,005,371
Total comprehensive income for the year		-	50,131,087	182,372,046	232,503,133	1,249,918	233,753,051
Reversal of unclaimed dividends	17		6,760,768	-	6,760,768	-	6,760,768
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings	17		26,523,296	(26,523,296)	-	-	-
Dividends	29		(76,000,000)	-	(76,000,000)	-	(76,000,000)
<b>Balance at 31 March 2023</b>		<b>288,386,885</b>	<b>2,230,919,825</b>	<b>841,217,343</b>	<b>3,360,524,053</b>	<b>2,546,365</b>	<b>3,363,070,418</b>
Balance at 1 April 2023		288,386,885	2,230,919,825	841,217,343	3,360,524,053	2,546,365	3,363,070,418
Profit for the year		-	208,052,490	-	208,052,490	265,193	208,317,683
Other comprehensive income/ (loss)		-	(686,640)	95,689,762	95,003,122	(130,385)	94,872,737
Total comprehensive income/ (loss) for the year		-	207,365,850	95,689,762	303,055,612	134,808	303,190,420
Reversal of unclaimed dividends	17		3,457,644	-	3,457,644	-	3,457,644
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings	17		40,012	(40,012)	-	-	-
Dividends	29		(76,000,000)	-	(76,000,000)	-	(76,000,000)
<b>Balance at 31 March 2024</b>		<b>288,386,885</b>	<b>2,365,783,331</b>	<b>936,867,093</b>	<b>3,591,037,309</b>	<b>2,681,173</b>	<b>3,593,718,482</b>

## (b) Company

	Note	Stated capital (Note 16)	Retained earnings (Note 17 (c))	Other reserves (Note 17 (d))	Total
Balance at 1 April 2022		288,386,885	1,626,169,374	128,813,010	2,043,369,269
Profit for the year		-	161,747,112	-	161,747,112
Other comprehensive income		-	-	28,285,011	28,285,011
Total comprehensive income for the year		-	161,747,112	28,285,011	190,032,123
Reversal of unclaimed dividend	17		6,760,768	-	6,760,768
Dividends	29		(76,000,000)	-	(76,000,000)
<b>Balance at 31 March 2023</b>		<b>288,386,885</b>	<b>1,718,677,254</b>	<b>157,098,021</b>	<b>2,164,162,160</b>
Balance at 1 April 2023		288,386,885	1,718,677,254	157,098,021	2,164,162,160
Profit for the year		-	177,173,481	-	177,173,481
Other comprehensive income		-	-	23,887,940	23,887,940
Total comprehensive income for the year		-	177,173,481	23,887,940	201,061,421
Reversal of unclaimed dividend	17		3,457,644	-	3,457,644
Dividends	29		(76,000,000)	-	(76,000,000)
<b>Balance at 31 March 2024</b>		<b>288,386,885</b>	<b>1,823,308,379</b>	<b>180,985,961</b>	<b>2,292,681,225</b>

The accounting policies and notes as set out in pages 29 to 103 form an integral part of these financial statements.

# Statement of Cash Flows

(all amounts in Sri Lanka Rupees unless otherwise stated)

	Note	Group		Company	
		Year ended 31 March		Year ended 31 March	
		2024	2023	2024	2023
<b>Cash flows from operating activities</b>					
Cash generated from / (used in) operating activities	30	541,815,824	26,944,320	447,536,533	(61,710,099)
Interest paid		(134,337,906)	(95,546,081)	-	-
Defined benefit obligations paid	20	(1,461,750)	(1,111,250)	-	-
Income tax paid		(48,275,112)	(25,892,400)	(48,275,112)	(18,188,548)
<b>Net cash (used in) / generated from operating activities</b>		<b>357,741,056</b>	<b>(95,605,411)</b>	<b>399,261,421</b>	<b>(79,898,647)</b>
<b>Cash flows from investing activities</b>					
Purchase of property, plant and equipment	6	(1,194,749)	(2,438,792)	(25,800)	(735,400)
Payments for investment property	7	-	(3,141,633)	-	(3,141,633)
Proceeds from sale of property, plant and equipment		85,007	-	-	-
Addition to capital work-in-progress		(13,087,187)	-	(13,087,187)	-
Purchase of investments		(540,415,927)	(99,081,014)	(493,157,529)	(35,421,840)
Disposal of investments		36,258,252	56,965,354	79,907	4,450
Interest received		60,174,145	114,723,864	60,920,790	117,055,354
Dividends received		113,360,119	67,954,026	54,841,100	20,266,900
<b>Net cash (used in) / generated from investing activities</b>		<b>(344,820,340)</b>	<b>134,981,805</b>	<b>(390,428,719)</b>	<b>98,027,831</b>
<b>Cash flows from financing activities</b>					
Proceeds from borrowings		11,714,550	16,370,027	-	-
Repayment of borrowings		(31,544,698)	(54,309,821)	-	-
Principal elements of lease payments		(3,080,000)	(1,096,425)	-	-
Dividends paid		(27,750,750)	(31,780,021)	(27,750,750)	(31,780,021)
<b>Net cash (used in) / generated from financing activities</b>		<b>(50,660,898)</b>	<b>(70,816,240)</b>	<b>(27,750,750)</b>	<b>(31,780,021)</b>
<b>(Decrease) / Increase in cash and cash equivalents</b>		<b>(37,740,182)</b>	<b>(31,439,846)</b>	<b>(18,918,048)</b>	<b>(13,650,837)</b>
<b>Movement in cash and cash equivalents</b>					
At 1 April		(58,992,225)	(27,552,379)	26,499,596	40,150,433
(Decrease) / Increase		(37,740,182)	(31,439,846)	(18,918,048)	(13,650,837)
<b>At 31 March</b>	<b>15</b>	<b>(96,732,407)</b>	<b>(58,992,225)</b>	<b>7,581,548</b>	<b>26,499,596</b>

The accounting policies and notes as set out in pages 29 to 103 form an integral part of these financial statements.

# Notes to the Consolidated Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

## 1. General information

C M Holdings PLC is a public limited liability Company domiciled in Sri Lanka and incorporated on 9 July 1909 under the Joint Stock Companies Ordinance of 1861. The Registered office of the Company is located at No. 297, Union Place, Colombo 02. The Company was re-registered under the Companies Act, No. 07 of 2007 on 1 July 2008. The principal activities of the Company is carrying on the businesses of holding investments and property development.

Union Investments (Private) Limited, a wholly owned subsidiary of C M Holdings PLC, is a limited liability Company incorporated on 16 February 1978 under the Companies Ordinance, (Cap,145) and domiciled in Sri Lanka. The registered office of the Company and the principal place of the business is located at No. 8-5/2, Leyden Bastian Road, York Arcade building, Colombo 1. The Company was re-registered under the Companies Act, No. 07 of 2007 on 29 July 2008. The principal activity of the Company is carrying on the business of an investment Company.

Guardian Asset Management Limited, a partially - owned subsidiary of C M Holdings PLC is a limited liability Company domiciled in Sri Lanka and incorporated on 8 March 1995 under the Companies Act, No. 17 of 1982 and re-registered under the Companies Act, No. 07 of 2007 on 1 August 2008. The registered office of the Company is located at No. 8-5/2, Leyden Bastian Road, York Arcade building, Colombo 01. The principal activities of the Company are asset management, funds and portfolio management and the management of trusts.

Guardian Trustees Limited is a wholly owned subsidiary of Guardian Asset Management Limited. It is a limited liability Company domiciled in Sri Lanka and incorporated on 26 May

1995 under Companies Act, No. 17 of 1982 and re-registered under the Companies Act, No. 07 of 2007 on 1 August 2008. It is an indirect subsidiary of C M Holdings PLC. The registered office of the Company is located at No. 8-5/2, Leyden Bastian Road, York Arcade building, Colombo 01. The principal activities of the Company are asset management funds, portfolio management and the management of trusts. The Company having ceased all operations in 2015, The Board of Directors resolved to strike off the entity from the Company register as of August 2015 and the said strike off process is in progress as at the statement of financial position date.

Colonial Motors (Ceylon) Limited, a wholly owned subsidiary of C M Holdings PLC is a limited liability Company domiciled in Sri Lanka and incorporated on 18 November 1996 under the Companies Act, No. 17 of 1982 and re-registered under the Companies Act, No. 7 of 2007 on 3 August 2009, and commenced its operations on 23 October 2012. The registered office of the Company is located at No. 449, Negombo Road, Peliyagoda. The principal activity of the Company is import and sale of motor vehicles, and spare parts and providing vehicle maintenance services.

Motor Mart Ceylon (Private) Limited is a wholly owned subsidiary of Colonial Motors (Ceylon) Limited. It is a limited liability Company domiciled in Sri Lanka and incorporated on 4 November 2016 under the Companies Act, No.07 of 2007. It is an indirect subsidiary of C M Holdings PLC. The registered office of the Company is located at No.449, Negombo Road, Peliyagoda. The principal activity of the Company is to secure agencies for commercial vehicles.

The ultimate parent of the Group is The Colombo Fort Land & Building PLC and the Group structure as at 31 March 2024 is as follows:

Name of the Company	Relationship	Holding	Proportion of voting power interest	
			2024	2023
Union Investments (Private) Limited	Subsidiary	Direct	99.99%	99.99%
Guardian Asset Management Limited	Subsidiary	Direct / Indirect	93.75%	93.75%
Colonial Motors (Ceylon) Limited	Subsidiary	Direct	99.99%	99.99%
Motor Mart Ceylon (Private) Limited	Subsidiary	Indirect	99.99%	99.99%

## 2. Summary of material accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below: These policies have been consistently applied to all years presented, unless otherwise stated.

# Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

## 2.1 Basis of preparation

### (a) Compliance with SLFRS

The financial statements of the Company and the Group have been prepared in accordance with Sri Lanka Accounting Standards, which comprise Sri Lanka Financial Reporting Standards ("SLFRS"s), Sri Lanka Accounting Standards ("LKAS"s), relevant interpretations of the Standing Interpretations Committee ("SIC") and International Financial Reporting Interpretations Committee ("IFRIC"). Sri Lanka Accounting Standards further comprises of Statements of Recommended Practices (SoRPs), Statements of Alternate Treatments (SoATs) and Financial Reporting Guidelines issued by the Institute of Chartered Accountants of Sri Lanka. The preparation of financial statements in conformity with Sri Lanka Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's and the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Company's and the Group's financial statements are disclosed in note 4 - critical accounting estimates to the financial statements.

### (b) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:  
- certain financial assets and liabilities, and certain classes of property, plant and equipment – measured at fair value or revalued amount

## 2.2 Changes in accounting policies and disclosures

### (c) New and amended standards adopted by the Company and Group

The Company and Group have applied the following standards and amendments for the first time for their annual reporting period commencing 1 April 2023:

- » Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements— Disclosure of Accounting Policies - Amendments to IAS 1
- » The amendment to LKAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors.' The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are 'monetary amounts in financial statements that are subject to measurement uncertainty'. The definition of a change in accounting estimates were deleted.
- » Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction- Amendments to IAS 12

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

### (d) New standards and interpretations not yet adopted

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 March 2024 reporting periods and have not been early adopted by the Company and Group. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

## 2.3 Comparative information

Previous period figures and notes have been changed and reclassified wherever necessary to conform to the current year's presentation.

## 2.4 Consolidation

### (a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. Inter Company transactions, balances and unrealised gains on transactions between Group Companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

### (b) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non controlling interests to reflect their relative interests in the subsidiary. Any difference between



the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss. If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

## 2.5 Foreign currency translation

### (a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in 'Sri Lanka Rupees' (LKR), which is the Company's and the Group's functional and presentation currency.

### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the profit or loss. Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss on a net basis within 'Finance income or cost'.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss

and translation differences on non-monetary assets such as equities classified at Fair Value through Other Comprehensive Income are recognised in other comprehensive income.

## 2.6 Current and deferred income tax

The tax expense for the period comprises current and deferred income tax. Tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation. Management establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

# Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

## 2.7 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

## 2.8 Inventories

Inventories are valued at the lower of cost and net realizable value, after making due allowances for obsolete and slow moving items. Net realisable value is the price at which inventories can be sold in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale. Cost of inventory is determined on a weighted average basis and actual basis.

The cost of inventories comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

## 2.9 Financial assets

### 2.9.1 Classification

The Company and the Group classify its financial assets in the following measurement categories.

- » those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- » those to be measured at amortised cost

The classification depends on the Company's and the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company and the Group have made an irrevocable election at the time of initial recognition to account for the equity investment at Fair Value through Other Comprehensive Income (FVOCI). The Company and the Group reclassify debt investments when and only when its business model for managing those assets changes.

### 2.9.2 Recognition and measurement

Regular way purchases and sales of financial assets are recognised on the trade-date, the date on which the Company and the Group commit to purchase or sell the asset.

At initial recognition, the Company and the Group measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in statement of profit or loss.

### 2.9.3 Subsequent measurement

#### (i) Debt instruments

Subsequent measurement of debt instruments depends on the Company's and the Group's business models for managing the asset and the cash flow characteristics of the asset.

There are three measurement categories into which debt instruments are classified:

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in comprehensive income and presented in other income/ gains (losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

**FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in statement of profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit or loss and recognised in other income/ (losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/ (losses) and impairment expenses are presented as separate line item in statement of profit or loss.

FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

#### (ii) Equity instruments

The Company and the Group subsequently measure all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to statement of profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in statement of profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### 2.9.4 Impairment

The Company and Group assesses on a forward looking basis the expected credit loss associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Company and the Group apply the simplified approach permitted by SLFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been Grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of customers and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

### 2.9.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Company and the Group have transferred substantially all risks and rewards of ownership.

### 2.9.6 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is

a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the Counterparty.

### 2.9.7 Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period.

The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Company and the Group designate certain derivatives as either:

- (i) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges),
- (ii) hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges), or
- (iii) hedges of a net investment in a foreign operation (net investment hedges).

At inception of the hedge relationship, the Company and the Group document the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Company and the Group document its risk management objective and strategy for undertaking its hedge transactions.

### 2.10 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three (3) months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

In the Statement of Financial Position, bank overdrafts are shown within borrowings in current liabilities.

# Notes to the Financial Statements

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## 2.11 Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance.

## 2.12 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

## 2.13 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. Borrowings are classified as current liabilities unless the Company and the Group have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

## 2.14 Property, plant & equipment

Property, plant and equipment other than land is stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items and also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Land is shown at fair value based on a valuation performed by an external independent professional valuer. Where an item of property, plant and equipment is revalued, the entire class of such asset is revalued. Revaluations are made with sufficient regularity (every three or five years) to ensure that their carrying value do not differ materially from their fair value at the reporting date.

Increases in the carrying amount arising on revaluation of land is credited to other comprehensive income and shown as revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against revaluation reserve directly in equity; all other decreases are charged to the statement of profit or loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit or loss during the financial period in which they are incurred.

Depreciation is calculated using the straight - line method to allocate the cost or revalued amounts of the assets, net of their residual values, over their estimated useful lives as follows:

	%
Building	5
Plant, machineries	10-25
Motor vehicles	25
Leasehold Improvements	5

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at end of each reporting period.

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within Other income - net in the statement of profit or loss.

Any balance remaining in the revaluation reserve in respect of an asset is transferred directly to retained earnings on disposal of an asset that was revalued.

### 2.15 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property. Land held under operating leases is classified and accounted for by the Group and Company as investment property when the definition of investment property would otherwise be met.

Investment property is depreciated using a straight line method over its estimated useful life of 20 years.

Investment property is measured initially at its cost, including related transaction costs and (where applicable) borrowing costs.

After initial recognition, investment property is accounted for under the cost model. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment.

### 2.16 Impairment of non financial assets (Excluding Goodwill)

Non financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment,

assets are Grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non- financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

### 2.17 Provisions

Provisions are recognised when the Company and the Group have a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate of the amount can be made. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions for asset retirement obligations are measured at the present value of management's best estimate of the expenditures required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as finance cost.

### 2.18 Employee benefits

#### (a) Defined benefit plans – gratuity

The liability recognised in the statement of financial position in respect of defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the yield rate of the long term government bonds that have terms to maturity approximating to the terms of the related defined benefit obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and included in employee benefit expense in the comprehensive income.

The current service cost of the defined benefit plan reflects the increase in the defined benefit obligations resulting from

# Notes to the Financial Statements

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employee service in the current year. It is recognised in the comprehensive income in employee benefit expense, except where included in the cost of an asset. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in comprehensive income as past service costs.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the statement of financial position.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

The assumptions based on which the results of the actuarial valuation was determined, are included in note 20 to the financial statements.

## (b) Defined contribution plans

For defined contribution plans, such as the Employees' Provident Fund and Employees' Trust Fund, the Group contributes 12% and 3% respectively, of the employees' basic or consolidated wage or salary. The Company and the Group have no further payment obligations once the contributions have been paid. The Group and the employees are members of these defined contribution plans.

## (c) Short term employee benefits

Wages, salaries, including non-monetary benefits, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

## 2.19 Stated capital

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

Where any Group Company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's

equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

## 2.20 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

## 2.21 Revenue recognition

Revenue from Goods and services deliverable under contracts with customers are identified as separate performance obligations ('obligations') to the extent that the customer can benefit from the goods or services on their own or together with other resources that are readily available to the customer and that the separate goods and services are considered distinct from other goods and services in the agreement. Where individual goods and services do not meet the criteria to be identified as separate performance obligations. They are aggregated with other goods and/or services in the agreement until a separate performance obligation is identified. The Group generates revenue from import and sale of motor vehicles, spare parts, providing vehicle maintenance services and rental income from its investment properties.

The Company and the Group determines the transaction price to which it expects to be entitled to in return for providing the promised obligations to the customer based on the committed contractual amounts, net of sales taxes and discounts. The transaction price is allocated between the identified obligations according to the relative standalone selling prices of the obligations. The standalone selling price of each obligation deliverable in the contract is determined according to the prices that the Company and the Group would achieve by selling the same goods and/or services included in the obligation to a similar customer on a standalone basis. Where the Group does not sell equivalent goods or services in similar circumstances on a standalone basis it is necessary to estimate the standalone price. When estimating the standalone price, the Group maximises the use of external input observing the standalone prices for similar goods and services when sold by third parties or using a cost-plus reasonable margin approach. Revenue is recognised when the respective obligations in the contract are delivered to the customer and payment remains probable. The revenue is recognised as follows;

(a) Sale of motor vehicles, spare parts and repair & maintenance

Revenue from the sale of motor vehicles and motor vehicle spare parts, are recognized in the statement of profit or loss when the control of goods have been transferred to the buyers, usually on delivery of the goods.

Revenue from motor vehicle repair and maintenance service contracts is recognized in the statement of profit or loss by reference to the stage of completion of the transaction at the end of the reporting period. Recognition of revenue is based on the percentage of completion of the contract, and is determined by the proportion costs incurred to date bear to estimated total cost of the transaction.

Motor vehicles are registered once full payment is received from the customers. Vehicle repair and maintenance services and sale of spare parts are paid for on cash basis and on 2 month credit period for selected customers and services.

(b) Rental income

Rental income is recognised on an accrual basis in the ordinary course of business as per applicable terms and conditions set in the registered lease agreements with the respective tenants. Rental payments are to be paid by the 10th of each month in which the rental falls due subject to relative clauses of the lease agreement for each respective tenant.

## 2.22 Interest income

Interest income is recognised using the effective interest method. When a loan granted or a receivable is impaired, the Company and the Group reduce the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continue unwinding the discount as interest income. Interest income on impaired loan and receivables are recognised using the original effective interest rate. Interest income on bank balances and bank deposits are recognised on accrual basis

## 2.23 Dividend income

Dividend income is recognised when the right to receive payment is established.

## 2.24 Leases

Leases are recognised as right-of-use ("ROU") assets and a corresponding liability at the date on which the lessor makes an underlying asset available for use by a lessee (i.e. the commencement date). Contracts may contain both lease and non-lease components. The Company and the Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

(a) Right of use assets

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability (present value of future lease payments discounted using the Company's incremental borrowing rate) adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right of-use asset is depreciated over the underlying asset's useful life. While the group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the Company and the Group.

(b) Lease liabilities

Liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- » fixed payments (including in-substance fixed payments), less any lease incentives receivable
- » variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- » amounts expected to be payable by the group under residual value guarantees
- » the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- » payments of penalties for terminating the lease, if the lease term reflects the group exercising that option

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs. The Company and the

# Notes to the Financial Statements

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Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

## (c) Short term leases and leases of low value assets

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short term leases are leases with a lease term of 12 months or less without a purchase option. Low-value assets comprise IT equipment and small items of office furniture.

## 2.25 Intangible assets

### (a) Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of aggregate of fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired. If the fair value of consideration transferred, non controlling interest recognized and previously held interest measured at fair value is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the statement of profit or loss as a bargain purchase.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognized immediately as an expense and is not subsequently reversed.

### (b) Software

Costs associated with maintaining software programs are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets where the following criteria are met:

- » it is technically feasible to complete the software so that it will be available for use
- » management intends to complete the software and use it
- » there is an ability to use the software
- » it can be demonstrated how the software will generate probable future economic benefits
- » adequate technical, financial and other resources to complete the development and to use the software are available, and
- » the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use. Software are amortised over three years

## 3. Financial risk management

The principal financial instruments of the Group and Company comprise of bank loans, finance leases, short term deposits, investment in equity securities, unit trust and cash. The main purpose of these financial instruments is to raise and maintain liquidity for the Group's and Company's operations, and maximize returns on the Group's and Company's financial reserves. The Group and Company has various other financial instruments such as receivables and payables which arise directly from its business activities.



### Financial risk factors

The Group's and the Company's activities are exposed to a variety of financial risks: market risk (including currency risk, cash flow interest rate risk, and price risk), credit risk and liquidity risk.

The Group's and Company's overall financial risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and the Company. Financial risk management is carried out through risk reviews, and adherence to the Group's and the Company's financial risk management policies. The Board of Directors regularly reviews these risks and approves the risk management policies, which covers the management of these risks.

#### Market risk consists of:

Foreign exchange risk - risk that the value of recognized assets and liabilities, future commercial transactions will fluctuate due to changes in foreign exchange rates.

Fair value interest rate risk - risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Cash flow interest rate risk - risk that future cash flows associated with a financial instrument will fluctuate due to changes in market interest rates.

Price risk - risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instrument traded in the market.

Credit risk - risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Liquidity risk (funding risk) - risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments.

### 3.1 Foreign Currency Exchange Risk

The Group is principally exposed to foreign exchange risk arising with respect to the Great Britain Pound, United States Dollar and Japanese Yen, due to its import activities of motor vehicles and motor vehicle spare parts for local sale and / or repair and maintenance services. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency.

#### Exposure

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in (presentation) currency units, was as follows:

	31 March 2024			31 March 2023		
	LKR	USD	Other	LKR	USD	Other
Trade receivables	34,410,625	-	-	28,872,860	-	-
Bank loans	659,071,496	-	-	678,901,644	-	-
Trade Payables	11,489,077	-	-	11,267,042	-	-

*The Company had no exposure to foreign currency risk at the end of the reporting period.*

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## Amounts recognised in profit or loss

During the year, the following foreign-exchange related amounts were recognised in profit or loss:

	Group	
	2024	2023
Net foreign exchange gain/(loss) included in other gains	922	422,140
<b>Total net foreign exchange gains recognised in profit before income tax for the period</b>	<b>922</b>	<b>422,140</b>

Foreign currency risk arises whenever the Group has contractual cash flows whose values are subject to unanticipated changes in exchange rates due to a contract being denominated in a foreign currency. This type of exposure is short term in nature and the Group continuously monitors the market exchange rates and takes necessary steps to mitigate the risk by adapting to the market conditions.

## Sensitivity

As at 31 March 2024, if LKR has weakened by 1%, all other variables held constant the resultant net foreign exchange losses in LKR are as follows -

Group	2024	2023
Great Britain Pound	-	297,671
United State Dollar	10	1,593,165
Japanese Yen	-	1,132,853

## 3.2 Cash flow and fair value interest rate risk

The borrowings are periodically contractually repriced (see below) and to that extent are also exposed to the risk of future changes in market interest rates.

The Group's borrowings are in terms of LKR, and the Groups' interest rate risk arises from fluctuations in AWPLR. Based on the outlook on AWPLR, the Group takes necessary decisions on restructuring the loans at the relevant time period.

The exposure of the Group's and the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

As at the end of the reporting period, the Group had the following variable rate borrowings outstanding:

	31 March 2024		31 March 2023	
	Weighted average interest rate %	Balance	Weighted average interest rate %	Balance
Bank Loans	15.78	380,070,836	23.33	380,051,740
Net exposure to cash flow interest rate risk		380,070,836		380,051,740

### Sensitivity

Profit or loss is sensitive to higher/lower interest as a result of changes in interest rates in variable rate bank borrowings above ;

	Group	
	2024	2023
Interest rates – increase by 10%	(38,007,083)	(37,990,020)
Interest rates – decrease by 10%	38,007,083	37,990,020

There were no loans in the Company as at the reporting year end.

### 3.3 Price risk

The Group's exposure to equity securities and price risk arises from investments held by the Company and the Group classified in the statement of financial position either as at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI).

To manage its price risk arising from investments in equity securities, the Company and the Group diversify its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company and the Group.

### Sensitivity

The following table presents the changes of fair values as a result of changes in fair value of instruments for the periods ended 31 March 2024 and 31 March 2023:

	Group			
	Impact on post-tax profit		Impact on other components of equity	
	2024	2023	2024	2023
Financial assets at fair value through profit or Loss (FVPL) - increase by 17% (2023 increased by 1%) (note 11(c))	165,077,344	8,087,885	-	-
Financial assets at fair value through other comprehensive income (FVOCI) - increase by 8% (2023 increased by 19%) (note 11(d))	-	-	95,599,389	183,618,314

  

	Company			
	Impact on post-tax profit		Impact on other components of equity	
	2024	2023	2024	2023
Financial assets at fair value through profit or Loss (FVPL) - increase by 17% (2023 increased by 1%) (note 11(c))	12,915,644	1,019,131	-	-
Financial assets at fair value through other comprehensive income (FVOCI) - increase by 5% (2023 increased by 6%) (note 11(d))	-	-	23,887,940	28,285,011

### Amounts recognised in profit or loss and other comprehensive income

The amounts recognised in profit or loss and other comprehensive income in relation to the various investments held by the Group and Company are disclosed in note 11 - financial instruments.

# Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

## 3.4 Credit risk

Credit risk arises from cash and cash equivalents, derivative financial instruments, and deposits with banks, as well as credit exposures to customers, including outstanding receivables (net of deposits held). The utilization of credit limits is regularly monitored.

Credit risk is managed on Group and Company basis. For bank and financial institutions, only independently rated parties with sound financial background are accepted.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the management. The compliance with credit limits by customers is regularly monitored by line management.

For some trade receivables the Group and the Company may obtain security in the form of guarantees or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

Credit quality of cash and short term deposits is shown under note 11 (b) to the financial statements.

The Group and the Company has the below financial assets that are subject to the expected credit loss model:

The Group has the following types of financial assets that are subject to the expected credit loss model:

- Trade and other receivables

While cash and cash equivalents are also subject to the impairment requirements of SLFRS 9, the identified impairment loss was immaterial.

Trade and other receivables

The Group applies the SLFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 March 2024 or 01 April 2023 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

On that basis, the loss allowance as at 31 March 2024 and 31 March 2023 was determined as follows for trade receivables:

Group	0 day to 30 days	31 days to 90 days	91 days above	Total
<b>31 March 2024</b>				
Expected loss rate	-	-	39%	
Gross carrying amount – trade receivables	10,821,748	3,988,916	19,599,961	34,410,625
Loss allowance			13,258,653	13,258,653
<b>31 March 2023</b>				
Expected loss rate	-	-	48%	
Gross carrying amount – trade receivables	8,254,221	2,733,559	17,885,080	28,872,860
Loss allowance			10,838,461	10,838,461

The closing loss allowances for trade receivables as at 31 March 2024 and 31 March 2023 reconcile to the opening loss allowances as follows:

	Group		Company	
	2024	2023	2024	2023
Opening loss allowance at 1 April	10,838,461	8,834,566	-	-
Increase in loss allowance recognised in profit or loss	2,420,192	2,003,895	-	-
<b>Closing loss allowance at 31 March</b>	<b>13,258,653</b>	<b>10,838,461</b>	-	-

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments for a period of greater than 120 days past due.

## Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

### 3.5 Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient liquid funds to meet its financial obligations.

In the management of liquidity risk, the Group and Company monitor and maintain a level of cash and cash equivalents deemed adequate by the management to finance the Company's and the Group's operations and to mitigate the effects of fluctuations in cash flows. Due to the nature of the underlying business, the Group and Company aim at maintaining flexibility in funding by keeping credit lines available.

The table below analyses the Group's and the Company's non- derivative financial liabilities into relevant maturity Groupings based on the remaining period at the statement of financial position date to the contractual maturity date.

Group	Less than 3 months	Between 3 months and 1 year	Between year 1 and year 2	Between year 2 and year 5	Over 5 years
As at 31 March 2024					
Borrowings	116,186,286	622,476,983	36,594,513	-	-
Trade and other payables	250,158,213	6,128,009	2,220,850	-	-
Lease liabilities	27,925,983	15,044,940	26,746,560	-	-

As at 31 March 2023					
Borrowings	104,645,542	639,063,683	39,837,960	-	-
Trade and other payables	128,460,670	11,267,231	1,517,280	8,278,602	-
Lease liabilities	2,838,000	8,514,000	16,392,000	43,866,000	-

Company	Less than 3 months	Between 3 months and 1 year	Between year 1 and year 2	Between year 2 and year 5	Over 5 years
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As at 31 March 2024					
Borrowings	-	-	-	-	-
Trade and other payables	25,860,523	6,128,009	2,220,850	-	-

As at 31 March 2023					
Borrowings	-	-	-	-	-
Trade and other payables	28,318,006	4,860,666	1,517,280	8,278,602	-

### 3.6 Capital risk management

The primary objective of the Group's and the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Group and Company manage its capital structure and make adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and Company may or may not make dividend payments to shareholders, return capital to shareholders or issue new shares or other instruments.

Consistent with others in the industry, the Group and Company monitor capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings and leases (including 'current and non- current borrowings and leases as shown in the balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt. Total equity is calculated as 'Total equity' in the statement of financial position.

The gearing ratio as at 31 March were as follows:

Group	2024	2023
Total borrowings and leases	838,066,324	844,637,721
Less: Cash and cash equivalents	(19,453,879)	(45,653,317)
Net debt	818,612,445	798,984,404
Total equity	3,593,718,482	3,363,070,418
Total capital	4,412,330,927	4,162,054,822
<b>Gearing ratio</b>	<b>18.55%</b>	<b>19.20%</b>

Company	2024	2023
Total borrowings and leases	-	-
Less: Cash and cash equivalents	(7,581,548)	(26,499,596)
Net debt	-	-
Total equity	2,292,681,225	2,164,162,160
Total capital	2,292,681,225	2,164,162,160
<b>Gearing ratio</b>	<b>-</b>	<b>-</b>

### 3.7 Fair value estimation

The table below analyses financial instruments carried at fair value by valuation methods. The different levels have been defined as follows;

- » Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- » Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- » Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3)

Group	Level 1	Level 2	Level 3	Total
<b>31 March 2024</b>				
<b>Assets</b>				
<b>Financial assets at fair value through profit or loss</b>				
Investment in unit trusts	12,521,260	-	-	12,521,260
Investment in equity shares	1,093,747,151	-	-	1,093,747,151
<b>Financial Assets at FVOCI</b>				
Investment in equity shares	1,240,577,348	-	543,410,626	1,783,987,974
	<b>2,346,845,759</b>	<b>-</b>	<b>543,410,626</b>	<b>2,890,256,385</b>

#### 31 March 2023

##### Assets

##### Financial assets at fair value through profit or loss

Investment in unit trusts	11,814,742	-	-	11,814,742
Investment in equity shares	942,334,080	-	-	942,334,080

##### Financial Assets at FVOCI

Investment in equity shares	888,848,667	-	274,597,680	1,163,446,347
	<b>1,842,997,489</b>	<b>-</b>	<b>274,597,680</b>	<b>2,117,595,169</b>

# Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

Company	Level 1	Level 2	Level 3	Total
<b>31 March 2024</b>				
<b>Assets</b>				
<b>Financial assets at fair value through profit or loss</b>				
Investment in unit trusts	11,044,028	-	-	11,044,028
Investment in equity shares	77,496,116	-	-	77,496,116
<b>Financial Assets at FVOCI</b>				
Investment in equity shares	509,036,460	-	477,474,421	986,510,881
	597,576,604	-	477,474,421	1,075,051,025

## 31 March 2023

### Assets

#### Financial assets at fair value through profit or loss

Investment in unit trusts	10,696,711	-	-	10,696,711
Investment in equity shares	64,386,892	-	-	64,386,892

#### Financial Assets at FVOCI

Investment in equity shares	254,407,983	-	215,611,156	470,019,139
	329,491,586	-	215,611,156	545,102,742

(i) Valuation techniques used to determine fair values  
Specific valuation techniques used to value financial instruments include:

- » the use of quoted market prices
- » for other financial instruments - adjusted net assets value

(ii) Fair value measurements using significant unobservable inputs (level 3).

The following table presents the changes in level 3 items for the periods ended 31 March 2024 and 31 March 2023:

Subsequent measurement for the level 3 items performed based on "Adjusted Net Asset Value Approach"

	Unlisted equity securities FVTOCI	
	Group	Company
Opening balance 1 April 2022	212,230,948	211,522,830
Additions	91,443,155	35,000,000
Loss recognised in other comprehensive income	(29,076,423)	(30,911,674)
Closing balance 31 March 2023	274,597,680	215,611,156
Opening balance 1 April 2023	274,597,680	215,611,156
Additions	270,000,000	270,000,000
Reclassified	(38,518,506)	(36,191,884)
Gain recognised in other comprehensive income	37,331,452	28,055,149
Closing balance 31 March 2024	543,410,626	477,474,421



(iii) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements (see (i) above for the valuation techniques adopted):

Description	Fair value at		Un-observable inputs	Range of inputs		Relationship of unobservable inputs to fair value
	31 March 2024	31 March 2023		2024	2023	
Unlisted equity shares						
- Group	543,410,626	274,597,680	Adjusted net assets value of shares held by the company			The higher the adjusted net assets value, the higher the fair value
- Company	477,474,421	215,611,156	- Colombo Fort Hotels Limited	10.92 per share	9.44 per share	
			- Agarapathana Plantation Limited (Listed in 2023/2024)	-	9.31 per share	
			- Consolidated Tea Plantation Limited	54 per share	-	

## 4. Critical accounting estimates and judgements

### 4.1 Critical accounting estimates and assumptions

The Group and Company make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### **Impairment assessment of goodwill**

The Group tests goodwill for impairment annually in accordance with its accounting policy stated in note 2.25 (a) and whenever events or change in circumstances indicate that this is necessary within the financial year. The cash generating unit, being the lowest level of assets for which there are separately identifiable cash flows, was assessed as the subsidiary for the purpose of such testing of impairment of goodwill.

The recoverable amount of the CGU is determined based on Value - In - Use (VIU) calculations.

The VIU calculations apply Discounted Cash Flow Model using cash flow projections based on the forecasts and projections approved by the management covering a five year period.

Cash flows beyond the five year period are extrapolated using the estimated growth rate as stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

In the Discounted Cash Flow (DCF) model, the free cash flows have been discounted by the pre-tax discount rate.

The subsidiary is engaged in the business of asset management, fund and portfolio management, and management of Trusts including unit trusts and investment trusts and to act as trustees thereof.

These forecasts and projections reflect management expectations of revenue growth, operating costs and margins for the CGU based on past experience and future plans and strategies.

The following assumptions were applied in the value in use computation.

# Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

## 1. EBIDTA margin

Projected EBIDTA margin is determined based on expected growth potential of the business.

## 2. Free cash flow (FCF) growth rate

FCF growth projections are based on expected growth in operational cashflows.

## 3. Pre-tax discount rate

Pre-tax discount rate of the Group is used as the discount rate for cash flow projections.

## 4. Terminal growth rate

Terminal growth reflects the management expectations on the growth potential of the business in Sri Lanka for the foreseeable future

Given below are the projected variables used for the impairment test for 2024 and 2023:

	2024	2023
EBITDA margin (1)	95%	39%
Free cash flow growth rate (2)	5%	11%
Pre-tax discount rate (3)	16%	35%
Terminal growth rate (4)	7%	7%

Based on the impairment test performed, the recoverable amounts exceed the carrying value, hence no provision for impairment of goodwill was recognised as of 31 March 2024.

### *Impact of possible changes in key assumptions*

The Group's review includes an impact assessment of change in key assumptions. Sensitivity analysis shows that no impairment loss is required for the carrying value of the goodwill, including where realistic variances are applied to key assumptions.

### **Defined benefit plan - gratuity**

The present value of the defined benefit plan depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for defined benefit plan include the discount rate, future salary increase rate, mortality rate, withdrawal and disability rates and retirement age. Any changes in these assumptions will impact the carrying amount of defined benefit plan. The Group and Company determine the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows, expected to be required to settle the defined benefit plan. In determining the appropriate discount rate, the Group and Company consider the interest yield of long term government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related defined benefit plan. Other key assumptions for defined benefit plan are based in part on current market conditions.

### **Impairment of receivables**

The Company and the Group review all receivables at the date of statement of financial position to assess whether an allowance should be recorded in the statement of profit or loss. Management uses judgment in estimating such amounts in the light of the duration of outstanding and any other factors management are aware of that indicates uncertainty in recovery.

### **Contingent liabilities**

Determination of the treatment of contingent liabilities in the financial statements is based on the management's view of the expected outcome of the applicable contingency. The Group consults with legal counsel on matters related to litigation and other experts both within and outside the Group and Company with respect to matters in the ordinary course of business.

## **4.2 Critical judgements in applying the entity's accounting policies**

### (a) Critical judgements in determining the lease term - SLFRS 16

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of buildings and motor vehicles, the following factors are normally the most relevant:

- » If there are significant penalties to terminate (or not extend), the Group and Company is typically reasonably certain to extend (or not terminate);
- » If any leasehold improvements are expected to have a significant remaining value, the Group and Company is typically reasonably certain to extend (or not terminate), and
- » Otherwise, the Group and Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset;

Most extension options in buildings and motor vehicles leases have not been included in the lease liability, because the Group and Company could replace the assets without significant cost or business disruption.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group and Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### (b) Current economic conditions

The current economic conditions has caused significant fluctuations in the market values of investments, interest rates, foreign exchange rates, and other economic indicators. Accordingly, in preparing the financial statement, the management has considered the impact of the current economic conditions primarily as follows:

- » The Company and its subsidiaries have not noted any events or conditions that may cast significant doubt about Group's ability to continue as a going concern in view of the current economic conditions.
- » Investments in subsidiaries are carried at cost. The Company has not determined any impairment losses as of the reporting date due to the current economic conditions.
- » The Group has not determined any impairment of goodwill as of the reporting date due to the current economic conditions.

# Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

## 5. Segment information

Operating segments are reported being consistent with the internal management reporting practices towards the Board of Directors who are the strategic decision makers of the Group. Based on the above internal process revenue, cost, depreciation, amortization, assets and liabilities are allocated under the below segments.

(a) Primary reporting format - business segments

The Group is organised into three main business segments:

- » Sale of motor vehicles which includes import and sale of motor vehicles along with the provision of value added services to the customer.
- » Providing motor vehicle repair and maintenance services including sale of spare parts and workshop related activities for value addition.
- » Investment and property holding where the entity engages in leasing out its investment properties and earning a rental income amongst other investment activities.

The segment results for the year ended 31 March 2024 are as follows:

	Motor vehicle sales	Repair & maintenance services	Investment & property holding	Group
Total segmental revenue	-	222,688,903	82,996,899	305,685,802
	-	<b>222,688,903</b>	<b>82,996,899</b>	<b>305,685,802</b>
Operating profit	-	(6,258,241)	328,220,941	321,962,700
Finance income	-	-	60,174,145	60,174,145
Finance costs	-	(139,135,912)	-	(139,135,912)
Finance (costs) / income - net	-	(139,135,912)	60,174,145	(78,961,767)
Profit before income tax	-	(145,394,153)	388,395,086	243,000,933
Income tax expense	-	-	(34,683,250)	(34,683,250)
<b>Net profit</b>	-	<b>(145,394,153)</b>	<b>353,711,836</b>	<b>208,317,683</b>

The segment results for the year ended 31 March 2023 are as follows:

	Motor vehicle sales	Repair & maintenance services	Investment & property holding	Group
Total segmental revenue	42,869	213,498,747	62,888,548	276,430,164
	<b>42,869</b>	<b>213,498,747</b>	<b>62,888,548</b>	<b>276,430,164</b>
Operating profit	42,869	(5,737,865)	99,830,671	94,135,675
Finance income	-	6,375	114,717,489	114,723,864
Finance costs	-	(99,709,421)	(1,401,040)	(101,110,461)
Finance (costs) / income - net	-	(99,703,046)	113,316,449	13,613,403
Profit before income tax	42,869	(105,440,911)	213,147,120	107,749,078
Income tax expense	-	-	(58,001,398)	(58,001,398)
<b>Net profit</b>	<b>42,869</b>	<b>(105,440,911)</b>	<b>155,145,722</b>	<b>49,747,680</b>

Other segment items included in the income statement are as follows -

Year ended 31 March 2024 are as follows:	Motor vehicle sales	Repair & maintenance services	Investment & property holding	Group
Depreciation of property, plant & equipment, investment property and right of use assets	-	25,290,238	7,038,779	32,329,017

Year ended 31 March 2023 are as follows:	Motor vehicle sales	Repair & maintenance services	Investment & property holding	Group
Depreciation of property, plant & equipment, investment property and right of use assets	-	25,785,154	7,000,697	32,785,851

The segment assets and liabilities at 31 March 2024 and capital expenditure for the year then ended are as follows:

Year ended 31 March 2024 are as follows:	Motor vehicle sales	Repair & maintenance services	Investment & property holding	Group
Assets	-	604,977,167	4,124,209,641	4,729,186,808
Liabilities	-	1,071,231,069	64,237,257	1,135,468,326
Capital expenditure	-	1,168,949	25,800	1,194,749

The segment assets and liabilities at 31 March 2023 and capital expenditure for the year then ended are as follows:

Year ended 31 March 2023 are as follows:	Motor vehicle sales	Repair & maintenance services	Investment & property holding	Group
Assets	-	636,907,522	3,771,422,232	4,408,329,754
Liabilities	-	958,500,629	86,758,707	1,045,259,336
Capital expenditure	-	1,703,392	3,877,033	5,580,425

Inter segment transfers or transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties.

Segment assets consist primarily of property, plant and equipment, investment property, intangible assets, inventories, trade and other receivables cash and cash equivalents and other assets.

Segment liabilities comprise operating and other liabilities

Capital expenditure comprises additions to property, plant and equipment and intangible assets

(b) Secondary reporting format - geographical segments

The Group's two business segments operate in one main geographical area, hence they do not qualify for secondary reporting.

# Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

## 6. Property, plant, and equipment

Group	Plant, machinery & other equipment				Total
	Freehold land	Buildings	Motor vehicles		
<b>Year ended 31 March 2023</b>					
Opening net book amount	293,000,000	91,128,839	17,109,128	2,202,887	403,440,854
Additions	-	-	2,064,842	373,950	2,438,792
Depreciation charge (note 24)	-	(7,097,274)	(2,315,749)	(1,031,623)	(10,444,646)
Depreciation on disposal	-	-	-	-	-
<b>Closing net book amount</b>	<b>293,000,000</b>	<b>84,031,565</b>	<b>16,858,221</b>	<b>1,545,214</b>	<b>395,435,000</b>
<b>At 31 March 2023</b>					
Cost or fair value	293,000,000	138,228,300	79,920,352	35,379,547	546,528,199
Accumulated depreciation	-	(54,196,735)	(63,062,131)	(33,834,333)	(151,093,199)
<b>Net book amount</b>	<b>293,000,000</b>	<b>84,031,565</b>	<b>16,858,221</b>	<b>1,545,214</b>	<b>395,435,000</b>
<b>Year ended 31 March 2024</b>					
Opening net book amount	293,000,000	84,031,565	16,858,221	1,545,214	395,435,000
Additions	-	-	1,194,749	-	1,194,749
Disposals	-	-	(175,000)	-	(175,000)
Depreciation charge (note 24)	-	(7,097,274)	(2,061,540)	(751,842)	(9,910,656)
Depreciation on disposal	-	-	146,191	-	146,191
<b>Closing net book amount</b>	<b>293,000,000</b>	<b>76,934,291</b>	<b>15,962,621</b>	<b>793,372</b>	<b>386,690,284</b>
<b>At 31 March 2024</b>					
Cost or fair value	293,000,000	138,228,300	80,940,101	35,379,547	547,547,948
Accumulated depreciation	-	(61,294,009)	(64,977,480)	(34,586,175)	(160,857,664)
<b>Net book amount</b>	<b>293,000,000</b>	<b>76,934,291</b>	<b>15,962,621</b>	<b>793,372</b>	<b>386,690,284</b>

Property, plant and equipment in use of the Group include fully depreciated assets, which amounted to LKR. 113,961,444 (2023 - LKR 108,740,512) as of reporting period end.

The Group reassessed its accounting policy for freehold land under property, plant and equipment with respect to measurement of a land after initial recognition in 2018/2019. The Group applied the revaluation model prospectively in 2018/2019.

Details of the valuation of freehold land are given below:

Company	Description of Property	Fair Value of Land	No of Buildings	Valuation Technique	Significant Unobservable Inputs	Estimates for Unobservable Inputs	Level of Fair Value Hierarchy	Sensitivity of Fair Value to Unobservable Inputs	Valuation date	Valuer
Colonial Motors (Ceylon) Limited	41/35, Nagahamulla Road, Thalagama South	293,000,000	6	Direct comparison method of valuation	Price per Perch	53.45 Perch of Land @ LKR 2,500,000/- per perch. 79.55 perch under high- tension line @ LKR. 2,000,000/- per perch.	Level - 03	Positivity Correlated Sensitivity	30.03.2022	Mr. N.B.S.A. Nanayakkara

If freehold land was stated on a historical cost basis, the amounts would be as follows:

	2024	2023
Freehold land		
Cost	67,245,720	67,245,720
Accumulated depreciation	-	-
<b>Net book amount</b>	<b>67,245,720</b>	<b>67,245,720</b>

The fair value of land was determined by means of a revaluation during the financial year ended 31 March 2022. The valuation was performed by Mr. N.B.S.A. Nanayakkara a Chartered Valuation Surveyor who is an accredited independent valuer who has valuation experience for similar Land in Sri Lanka. Fair value of the Land was determined using the direct comparison method.

Company	Buildings	Plant, machinery & other equipment	Total
<b>Year ended 31 March 2023</b>			
Opening net book amount	882,756	583,166	1,465,922
Additions	-	735,400	735,400
Depreciation charge ( note - 24)	(56,047)	(361,635)	(417,682)
<b>Closing net book amount</b>	<b>826,709</b>	<b>956,931</b>	<b>1,783,640</b>
<b>At 31 March 2023</b>			
Cost or fair value	1,120,959	9,934,991	11,055,950
Accumulated depreciation	(294,250)	(8,978,060)	(9,272,310)
<b>Net book amount</b>	<b>826,709</b>	<b>956,931</b>	<b>1,783,640</b>
<b>Year ended 31 March 2024</b>			
Opening net book amount	826,709	956,931	1,783,640
Additions	-	25,800	25,800
Depreciation charge (note 24)	(56,048)	(322,563)	(378,611)
<b>Closing net book amount</b>	<b>770,661</b>	<b>660,168</b>	<b>1,430,829</b>
<b>At 31 March 2024</b>			
Cost or fair value	1,120,959	9,960,791	11,081,750
Accumulated depreciation	(350,298)	(9,300,623)	(9,650,921)
<b>Net book amount</b>	<b>770,661</b>	<b>660,168</b>	<b>1,430,829</b>

Property, plant and equipment use of the Company include fully depreciated assets, which amounted to LKR 8,807,715 (2023 LKR 8,222,440) as of reporting period end.

## Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

### 7. Investment Property

	Group		Company	
	2024	2023	2024	2023
At 1 April - Opening balance	1,057,935,878	1,061,377,259	1,057,935,878	1,061,377,259
Additions	-	3,141,633	-	3,141,633
Depreciation charge (note 24)	(6,660,167)	(6,583,014)	(6,660,167)	(6,583,014)
<b>At 31 March</b>	<b>1,051,275,711</b>	<b>1,057,935,878</b>	<b>1,051,275,711</b>	<b>1,057,935,878</b>
At 31 March				
Cost				
- Land	997,610,249	997,610,249	997,610,249	997,610,249
- Building	133,203,333	133,203,333	133,203,333	133,203,333
	1,130,813,582	1,130,813,582	1,130,813,582	1,130,813,582
Accumulated depreciation	(79,537,871)	(72,877,704)	(79,537,871)	(72,877,704)
<b>At 31 March</b>	<b>1,051,275,711</b>	<b>1,057,935,878</b>	<b>1,051,275,711</b>	<b>1,057,935,878</b>

The Group has initially accounted for the investment property at cost, and subsequently accounted for it under the cost model in accordance with the policy adopted by its ultimate parent. The investment property is depreciated using a straight line method over its estimated useful life of 20 years.

Rental income as disclosed in note 21 - revenue, is generated by the Investment property at 297, Union Place, Colombo 02. Material direct expenses attributable to the above property are Repairs and maintenance expenditures, utilities, business running expenses and non - refundable government taxes as disclosed in note 24 - Expenses by nature.

Details of the valuation of the land and buildings under Investment Property of the Company carried out by Chartered Valuation Surveyor Mr. P.P.T.Mohideen is as follows:

#### a. Property at Union Place

Total extent of land	1 acre - 1 rood - 6 perches
Total valuation for land and building	3,372,500,000
Number of Buildings	3
Location	No. 297, Dr. Colvin R. De Silva Mawatha, Colombo 02
Date of valuation	31 March 2022
Valuation Technique	Market comparable method
Estimates for observable Inputs	1A-1R-03.46 Perches @ LKR16,000,000/- per perch for land, 18,600 sq.ft @ LKR.4,000/- per sq.ft and 13,157 sq.ft @Rs.3,250/-for buildings
Level of Fair Value Hierarchy	Level 2



## b. Property at Pelawatta

Total extent of land	109.2 perches
Total valuation for land and building	354,900,000
Number of Buildings	-
Location	479/G Pannipitiya Road, Pelawatta
Date of valuation	31 March 2022
Valuation Technique	Market comparable method
Estimates for observable Inputs	109.2 Perches @ LKR 3,250,000/- per perch
Level of Fair Value Hierarchy	Level 2

The market comparable method involves comparing the prices of comparable properties located in the same area.

The valuation was performed by Mr. P. P. T. Mohideen, Chartered Valuation Surveyor who is an external independent property valuer, having appropriate recognised professional qualifications and recent experience in the location and the category of the property being valued.

### (i) Leasing arrangements

The investment properties are leased to tenants under operating leases, with rentals payable monthly. Lease income from operating leases where the Group /Company is a lessor is recognised in income on a straight-line basis over the lease term.

There are no variable lease payments that depend on an index or rate. Where considered necessary to reduce credit risk, the Group and the Company may obtain bank guarantees for the term of the lease. Although the Group and the Company are exposed to changes in the residual value at the end of the current leases, the Group and the Company typically enter into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about future residual values are reflected in the fair value of the properties.

Minimum lease payments receivable on leases of investment properties are as follows:

	Group		Company	
	2024	2023	2024	2023
Within 1 year	104,224,516	79,386,839	104,224,516	79,386,839
Between 1 and 2 years	99,045,171	82,144,277	99,045,171	82,144,277
Between 2 and 3 years	72,538,941	72,314,928	72,538,941	72,314,928
Between 3 and 4 years	75,888,352	44,818,689	75,888,352	44,818,689
Between 4 and 5 years	72,864,407	47,821,597	72,864,407	47,821,597
Later than 5 years	351,524,887	347,418,900	351,524,887	347,418,900
	776,086,274	673,905,230	776,086,274	673,905,230

## 7.1 Capital work in progress

	2024	2023	2024	2023
At 1 April	-	-	-	-
Additions	13,087,187	-	13,087,187	-
<b>At 31 March</b>	<b>13,087,187</b>	<b>-</b>	<b>13,087,187</b>	<b>-</b>

# Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

## 8. Intangible assets

	Group	
	Goodwill	Total
<b>At 31 March 2022</b>		
Cost	4,870,824	4,870,824
Accumulated amortisation	-	-
<b>Net book amount</b>	<b>4,870,824</b>	<b>4,870,824</b>
<b>Year ended 31 March 2023</b>		
Opening net book amount	4,870,824	4,870,824
Amortisation charge	-	-
<b>Closing net book amount</b>	<b>4,870,824</b>	<b>4,870,824</b>
<b>At 31 March 2023</b>		
Cost	4,870,824	4,870,824
Accumulated amortisation	-	-
<b>Net book amount</b>	<b>4,870,824</b>	<b>4,870,824</b>
<b>Year ended 31 March 2024</b>		
Opening net book amount	4,870,824	4,870,824
Amortisation charge	-	-
<b>Closing net book amount</b>	<b>4,870,824</b>	<b>4,870,824</b>
<b>At 31 March 2024</b>		
Cost	4,870,824	4,870,824
Accumulated amortisation	-	-
<b>Net book amount</b>	<b>4,870,824</b>	<b>4,870,824</b>

Goodwill represents the excess of the cost of acquisition of the net assets of Guardian Asset Management Limited.

## 9. Right of use assets and Leases

### Right of Use Asset

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability (present value of future lease payments discounted using the Group's incremental borrowing rate) adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred. The right-of-use asset is subsequently amortised using the straight-line method from the commencement date to the early of the end of the useful life of the right-of-use asset or the end of the lease term. The movement of Right of Use lease asset of the Group is as follows,

Year ended 31 March 2023	Balance as at		Balance as at
At Gross Value	1 April 2022	Additions	31 March 2023
Property at Peliyagoda (Plan no: 2921)	34,024,141	-	34,024,141
Property at Peliyagoda (Plan no: 3179)	18,205,006	-	18,205,006
Property at Peliyagoda (Plan no: 2006/299)	63,330,927	-	63,330,927
	<b>115,560,074</b>	<b>-</b>	<b>115,560,074</b>

Accumulation Depreciation	Balance as at	Charge for the	Balance as at
	1 April 2022	Year	31 March 2023
Property at Peliyagoda (Plan no: 2921)	13,918,966	4,639,656	18,558,622
Property at Peliyagoda (Plan no: 3179)	7,447,503	2,482,501	9,930,004
Property at Peliyagoda (Plan no: 2006/299)	25,908,107	8,636,033	34,544,140
	<b>47,274,576</b>	<b>15,758,190</b>	<b>63,032,766</b>

Year ended 31 March 2024	Balance as at		Balance as at
At Gross Value	1 April 2023	Additions	31 March 2024
Property at Peliyagoda (Plan no: 2921)	34,024,141	-	34,024,141
Property at Peliyagoda (Plan no: 3179)	18,205,006	-	18,205,006
Property at Peliyagoda (Plan no: 2006/299)	63,330,927	-	63,330,927
	<b>115,560,074</b>	<b>-</b>	<b>115,560,074</b>

Accumulation Depreciation	Balance as at	Charge for the	Balance as at
	1 April 2023	Year	31 March 2024
Property at Peliyagoda (Plan no: 2921)	18,558,622	4,639,656	23,198,278
Property at Peliyagoda (Plan no: 3179)	9,930,004	2,482,502	12,412,506
Property at Peliyagoda (Plan no: 2006/299)	34,544,140	8,636,036	43,180,176
	<b>63,032,766</b>	<b>15,758,194</b>	<b>78,790,960</b>

Net Book Values	Balance as at	
	31 March 2024	31 March 2023
Property at Peliyagoda (Plan no: 2921)	10,825,863	15,465,519
Property at Peliyagoda (Plan no: 3179)	5,792,500	8,275,002
Property at Peliyagoda (Plan no: 2006/299)	20,150,751	28,786,787
	<b>36,769,114</b>	<b>52,527,308</b>

## Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

### Lease Liabilities/Lease Creditors

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate can not be readily determined, the Group's incremental borrowing rate. The movement of Lease creditor for the period is as follows,

	Balance as at 1 April 2022	Interest expense recognized in profit or loss	Repayment of liability	Adjustment on termination	Balance as at 31 March 2023
Property at Peliyagoda (Plan no: 2921)	29,563,461	2,823,575	(3,920,000)	-	28,467,036
Property at Peliyagoda (Plan no: 3179)	20,607,568	1,512,629	-	-	22,120,197
Property at Peliyagoda (Plan no: 2006/299)	9,275,127	1,228,176	-	-	10,503,303
	<b>59,446,156</b>	<b>5,564,380</b>	<b>(3,920,000)</b>	<b>-</b>	<b>61,090,536</b>

	Amount repayable within 1 year	Amount repayable after 1 year	Total
Property at Peliyagoda (Plan no: 2921)	11,219,036	17,248,000	28,467,036
Property at Peliyagoda (Plan no: 3179)	12,880,197	9,240,000	22,120,197
Property at Peliyagoda (Plan no: 2006/299)	6,720,000	3,783,303	10,503,303
	<b>30,819,233</b>	<b>30,271,303</b>	<b>61,090,536</b>

	Balance as at 1 April 2023	Interest expense recognized in profit or loss	Repayment of liability	Adjustment on termination	Balance as at 31 March 2024
Property at Peliyagoda (Plan no: 2921)	28,467,036	2,218,642	(3,080,000)	-	27,605,678
Property at Peliyagoda (Plan no: 3179)	22,120,197	1,188,559	-	-	23,308,756
Property at Peliyagoda (Plan no: 2006/299)	10,503,303	1,390,806	-	-	11,894,109
	<b>61,090,536</b>	<b>4,798,007</b>	<b>(3,080,000)</b>	<b>-</b>	<b>62,808,543</b>

	Amount repayable within 1 year	Amount repayable after 1 year	Total
Property at Peliyagoda (Plan no: 2921)	17,749,678	9,856,000	27,605,678
Property at Peliyagoda (Plan no: 3179)	18,028,756	5,280,000	23,308,756
Property at Peliyagoda (Plan no: 2006/299)	2,934,109	8,960,000	11,894,109
	<b>38,712,543</b>	<b>24,096,000</b>	<b>62,808,543</b>

Lease Liabilities	As at	
	31 March 2024	31 March 2023
Less than 3 months	25,158,543	8,514,000
Between 3 months and 1 year	13,554,000	22,305,233
Between year 1 and year 2	24,096,000	22,704,000
Between year 2 and year 5	-	7,567,303
Over 5 years	-	-
	<b>62,808,543</b>	<b>61,090,536</b>

The total cash outflow for leases in 2023/2024 is LKR 3,080,000 (2022/2023- LKR 3,920,000).

## 10. Investments in subsidiaries

The Group has the following principal subsidiary undertakings as at 31 March 2024

Name	Proportion of ordinary shares		
	directly held by parent	held by group	held by non-controlling interests
Union Investments (Private) Limited	99.99%	99.99%	-
Guardian Asset Management Limited	75.00%	93.75%	6.25%
Colonial Motors (Ceylon) Limited	99.99%	99.99%	-
Motor Mart (Ceylon) (Private) Limited	-	99.99%	-

Investments at cost	31 March	
	2024	2023
Union Investments (Private) Limited	2,000,000	2,000,000
Guardian Asset Management Limited	12,000,000	12,000,000
Colonial Motors (Ceylon) Limited	216,999,980	216,999,980
	<b>230,999,980</b>	<b>230,999,980</b>
<b>Impairment of investments</b>		
Colonial Motors (Ceylon) Limited	(216,999,980)	(216,999,980)
<b>Net investments</b>	<b>14,000,000</b>	<b>14,000,000</b>
	<b>2024</b>	<b>2023</b>
<b>At beginning of and at end of the year</b>	<b>14,000,000</b>	<b>14,000,000</b>

The Investment in Colonial Motors (Ceylon) Limited was fully impaired as at 31 March 2020 due to continuous losses made by the entity led by adverse economic conditions in the motor vehicle industry. The investment was impaired based on the negative net asset value position as at 2019/2020 since the industry has seen no improvement and unpredictability of future cashflows under the prevailing economic conditions.

# Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

(a) Details of the principal activities of each subsidiaries, are set out below.

Name of the subsidiary	Principal activities
» Union Investments (Private) Limited	» Carrying on the business of an investment company.
» Guardian Asset Management Limited	» Asset management funds, portfolio management and the management of all types of trust.
» Colonial Motors (Ceylon) Limited	» Import and sale of motor vehicles, and spare parts and providing vehicle maintenance services.
» Motor Mart Ceylon (Private) Limited	» Secure agencies for commercial vehicles.

(b) No provision for impairment of long term investments carried at cost was required, other than the amounts mentioned under note 10 - impairment of investments.

(c) All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of the ordinary shares held.

## 11. Financial Instruments

(a) Financial instruments by category

Group

31 March 2024

	Fair value through profit or loss	Fair value through OCI	Amortized Cost	Total
<b>Assets as per statement of financial position</b>				
Investments in unit trust	12,521,260	-	-	12,521,260
Equity investment	1,093,747,151	1,783,987,974	-	2,877,735,125
Trade and other receivables(excluding pre-payments)	-	-	173,458,309	173,458,309
Cash and cash equivalents	-	-	19,453,879	19,453,879
<b>Total</b>	<b>1,106,268,411</b>	<b>1,783,987,974</b>	<b>192,912,188</b>	<b>3,083,168,573</b>

	Amortized Cost	Total
<b>Liabilities as per statement of financial position</b>		
Borrowings	775,257,782	775,257,782
Trade and other payables	258,507,072	258,507,072
Lease liabilities	62,808,543	62,808,543
<b>Total</b>	<b>1,096,573,397</b>	<b>1,096,573,397</b>

31 March 2023	Fair value through profit or loss	Fair value through OCI	Amortized Cost	Total
<b>Assets as per statement of financial position</b>				
Investments in unit trust	11,814,742	-	-	11,814,742
Equity investment	942,334,080	1,163,446,347	-	2,105,780,427
Trade and other receivables(excluding pre-payments)	-	-	577,938,158	577,938,158
Cash and cash equivalents	-	-	45,653,317	45,653,317
<b>Total</b>	<b>954,148,822</b>	<b>1,163,446,347</b>	<b>623,591,475</b>	<b>2,741,186,644</b>

			Amortized Cost	Total
<b>Liabilities as per statement of financial position</b>				
Borrowings			783,574,186	783,547,186
Trade and other payables			149,523,783	149,523,783
Lease liabilities			61,090,536	61,090,536
<b>Total</b>			<b>994,188,505</b>	<b>994,161,505</b>

#### Company

31 March 2024	Fair value through profit or loss	Fair value through OCI	Amortized Cost	Total
<b>Assets as per statement of financial position</b>				
Investments in unit trust	11,044,028	-	-	11,044,028
Equity investment	77,496,116	986,510,881	-	1,064,006,997
Trade and other receivables(excluding pre-payments)	-	-	192,174,832	192,174,832
Cash and cash equivalents	-	-	7,581,548	7,581,548
<b>Total</b>	<b>88,540,144</b>	<b>986,510,881</b>	<b>199,756,380</b>	<b>1,274,807,405</b>

			Amortized Cost	Total
<b>Liabilities as per statement of financial position</b>				
Borrowings			-	-
Trade and other payables			34,209,382	34,209,382
<b>Total</b>			<b>34,209,382</b>	<b>34,209,382</b>

# Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

## 11. Financial Instruments (Contd)

31 March 2023	Fair value through profit or loss	Fair value through OCI	Amortized Cost	Total
<b>Assets as per statement of financial position</b>				
Investments in unit trust	10,696,711	-	-	10,696,711
Equity investment	64,386,892	470,019,139	-	534,406,031
Trade and other receivables(excluding pre-payments)	-	-	603,119,112	603,119,112
Cash and cash equivalents	-	-	26,499,596	26,499,596
<b>Total</b>	<b>75,083,603</b>	<b>470,019,139</b>	<b>629,618,708</b>	<b>1,174,721,450</b>

	Amortized Cost	Total
<b>Liabilities as per statement of financial position</b>		
Borrowings	-	-
Trade and other payables	42,974,554	42,974,554
<b>Total</b>	<b>42,974,554</b>	<b>42,974,554</b>

### (b) Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

Group	2024	2023
<b>Trade receivables</b>		
Counterparties without external credit rating		
Group 1	16,133,035	10,291,743
Group 2	5,018,937	7,742,656
Group 3	-	-
<b>Total</b>	<b>21,151,972</b>	<b>18,034,399</b>



	2024	2023
<b>Cash at bank and short-term bank deposits (Fitch ratings)</b>		
A+Ika to A-Ika	18,965,189	43,565,614
Below A	-	-
Counterparties without external credit rating, and cash in hand	488,690	2,087,703
<b>Total</b>	<b>19,453,879</b>	<b>45,653,317</b>

	2024	2023
<b>Cash at bank and short-term bank deposits (Fitch ratings)</b>		
A+Ika to A-Ika	7,581,548	26,499,596
Below A	-	-
Counterparties without external credit rating, and cash in hand	-	-
<b>Total</b>	<b>7,581,548</b>	<b>26,499,596</b>

Group 1 - new customers and existing customers (less than 6 months).

Group 2 - existing customers (more than 6 months) with no defaults in the past.

Group 3 - existing customers (more than 6 months) with some defaults in the past. All defaults were fully recovered

### (c) Financial assets / liabilities at fair value through profit or loss

(i) Net financial assets and liabilities at fair value through profit or loss are as follows;

	Group		Company	
	2024	2023	2024	2023
Investment in unit trust	12,521,260	11,814,742	11,044,028	10,696,711
Equity investment	1,093,747,151	942,334,080	77,496,116	64,386,892
	<b>1,106,268,411</b>	<b>954,148,822</b>	<b>88,540,144</b>	<b>75,083,603</b>

# Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

## 11. Financial Instruments (Contd)

(ii) The movement of the financial assets at fair value through profit or loss is as follows

	Group		Company	
	2024	2023	2024	2023
<b>At the beginning of the year</b>				
Investment in unit trusts	11,814,742	8,445,570	10,696,711	7,300,026
Equity investment	942,334,080	931,146,728	64,386,892	66,342,606
	<b>954,148,822</b>	<b>939,592,298</b>	<b>75,083,603</b>	<b>73,642,632</b>
<b>Additions</b>				
Investment in unit trusts	-	-	-	-
Equity investment	15,379,217	7,621,277	553,727	421,840
	<b>15,379,217</b>	<b>7,621,277</b>	<b>553,727</b>	<b>421,840</b>
<b>Disposals</b>				
Equity investment	(28,336,972)	(1,152,639)	(12,830)	-
	<b>(28,336,972)</b>	<b>(1,152,639)</b>	<b>(12,830)</b>	<b>-</b>
<b>Market fair value changes</b>				
- to statement of profit or loss				
Investment in unit trusts (Note 23)	706,518	3,369,172	347,317	3,396,685
Equity investment (Note 23)	164,370,826	4,718,713	12,568,327	(2,377,554)
	<b>165,077,344</b>	<b>8,087,885</b>	<b>12,915,644</b>	<b>1,019,131</b>
<b>At the end of the year</b>				
Investment in unit trusts	12,521,260	11,814,742	11,044,028	10,696,711
Equity investment	1,093,747,151	942,334,080	77,496,116	64,386,892
	<b>1,106,268,411</b>	<b>954,148,822</b>	<b>88,540,144</b>	<b>75,083,603</b>

### (d) Fair value through other comprehensive income

	Group		Company	
	2024	2023	2024	2023
Opening balance	1,163,446,347	943,561,135	470,019,139	406,734,128
Investment made during the year	525,036,710	91,459,737	492,603,802	35,000,000
Disposals made during the year	(94,472)	(55,192,839)	-	-
Change in fair value	95,599,389	183,618,314	23,887,940	28,285,011
<b>As at 31 March</b>	<b>1,783,987,974</b>	<b>1,163,446,347</b>	<b>986,510,881</b>	<b>470,019,139</b>

## 11. Financial Instruments (Contd)

### (e) Financial assets at fair value through profit or loss

#### Listed shares

	Group					
	31 March 2024			31 March 2023		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
<b>AUTOMOBILES &amp; COMPONENTS</b>						
Kelani Tyres PLC	160	11,200	934	160	9,504	934
	<b>160</b>	<b>11,200</b>	<b>934</b>	<b>160</b>	<b>9,504</b>	<b>934</b>
<b>BANKS</b>						
Commercial Bank of Ceylon PLC	1,261,310	123,229,987	49,836,509	1,191,213	75,761,147	45,280,119
Commercial Bank of Ceylon PLC (Non Voting)	144,641	12,323,413	5,988,124	135,220	7,315,402	5,470,907
Development Finance Corporation of Ceylon PLC	126,355	9,602,980	8,087,517	123,229	5,409,753	7,841,059
Hatton National Bank PLC	364,041	65,527,380	20,595,874	349,202	45,221,659	19,111,765
Hatton National Bank PLC (Non-voting)	65,188	9,794,497	2,915,744	61,745	5,445,909	2,653,328
National Development Bank PLC	37,722	2,565,096	2,040,428	35,894	1,611,641	1,958,500
Nations Trust Bank PLC	132,656	14,260,520	3,375,385	129,967	8,317,887	3,099,010
Pan Asia Bank PLC	109,000	2,321,700	1,101,176	209,000	2,612,500	2,107,054
Sampath Bank PLC	419,389	33,551,120	14,496,768	409,260	21,486,150	14,096,717
Seylan Bank PLC (Non Voting)	473,448	17,991,024	9,769,057	456,817	10,278,383	9,417,195
Union Bank of Colombo PLC	55,000	517,000	2,500	55,000	495,000	2,500
	<b>3,188,750</b>	<b>291,684,717</b>	<b>118,209,082</b>	<b>3,156,547</b>	<b>183,955,431</b>	<b>111,038,155</b>
<b>CAPITAL GOODS</b>						
ACL Cables PLC	144,000	12,110,400	1,485,020	144,000	11,851,200	1,485,020
Colombo Dockyard PLC	14,880	723,168	841,962	14,880	952,320	841,962
Hayleys PLC	1,000,160	82,113,136	2,372,698	1,000,160	72,011,520	2,372,698
Hemas Holdings PLC	21,653	1,740,901	431,821	21,653	1,407,445	431,821
	<b>1,180,693</b>	<b>96,687,605</b>	<b>5,131,501</b>	<b>1,180,693</b>	<b>86,222,485</b>	<b>5,131,501</b>
<b>Balance carried forward</b>	<b>4,369,603</b>	<b>388,383,522</b>	<b>123,341,517</b>	<b>4,337,400</b>	<b>270,187,420</b>	<b>116,170,590</b>

# Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

## 11. Financial Instruments (Contd)

### (e) Financial assets at fair value through profit or loss (Contd)

Listed shares (Contd)

	Group					
	31 March 2024			31 March 2023		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
<b>Balance brought forward</b>	4,369,603	388,383,522	123,341,517	4,337,400	270,187,420	116,170,590
<b>CAPITAL GOODS</b>						
John Keells Holdings PLC	69,137	13,412,578	5,685,686	69,137	9,679,180	5,685,686
Kelani Cables PLC	400	112,000	6,557	400	107,500	6,557
Lanka Tiles PLC	125,000	6,462,500	629,625	125,000	5,387,500	629,625
Lanka Walltiles PLC	500,000	25,450,000	3,946,907	500,000	24,050,000	3,946,907
Richard Peiris & Company PLC	4,740	97,170	11,121	4,740	98,118	11,121
Sierra Cables PLC	824,000	9,805,600	1,515,337	824,000	9,888,000	1,515,337
Brown & Company PLC	28,900	3,179,000	2,744,783	28,900	3,453,550	2,744,783
Lankem Ceylon PLC	222,800	15,150,400	7,506,060	222,800	16,865,960	7,506,060
Vallibel One PLC	109,012	5,505,106	2,600,000	109,012	3,989,839	2,600,000
	<b>1,883,989</b>	<b>79,174,354</b>	<b>24,646,076</b>	<b>1,883,989</b>	<b>73,519,647</b>	<b>24,646,076</b>
<b>CONSUMER DURABLES &amp; APPAREL</b>						
Dankotuwa Porcelain PLC	42,500	1,045,500	348,589	42,500	871,250	348,589
Hayleys Fabric PLC	17,180	706,098	194,121	17,180	432,936	194,121
Hayleys Fibre PLC	1,467	76,431	21,022	1,467	73,497	21,022
Regnis (Lanka) PLC	-	-	-	275,706	12,682,476	2,464,335
Teejay Lanka PLC	10,000	376,000	150,000	10,000	320,000	150,000
Hela Apperal PLC	6,000	36,600	90,000	6,000	48,000	90,000
Singer Industries PLC	-	-	-	165,360	6,085,248	844,420
	<b>77,147</b>	<b>2,240,629</b>	<b>803,732</b>	<b>518,213</b>	<b>20,513,407</b>	<b>4,112,487</b>
<b>Balance carried forward</b>	<b>6,330,739</b>	<b>469,798,505</b>	<b>148,791,325</b>	<b>6,739,602</b>	<b>364,220,474</b>	<b>144,929,153</b>

## 11. Financial Instruments (Contd)

### (e) Financial assets at fair value through profit or loss (Contd)

Listed shares (Contd)

	Group					
	31 March 2024			31 March 2023		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	6,330,739	469,798,505	148,791,325	6,739,602	364,220,474	144,929,153
<b>CONSUMER SERVICES</b>						
Aitken Spence Hotel Holdings PLC	100,625	6,661,375	1,855,824	100,625	6,027,438	1,855,824
Amaya Leisure PLC	134,886	2,697,720	2,335,378	134,886	3,237,264	2,335,378
Asian Hotels Properties PLC	72,000	4,392,000	988,895	72,000	3,168,000	988,895
Dolphin Hotels PLC	20,000	702,000	275,131	20,000	640,000	275,131
Renuka City Hotels PLC	12,740	4,586,400	896,879	12,740	4,666,025	896,879
Tangerine Beach Hotels PLC	11,400	671,460	348,343	11,400	627,000	348,343
Ceylon Hotel Corporation PLC	10,478	199,082	253,714	10,478	235,755	253,714
Eden Hotel PLC	350,000	4,515,000	7,005,939	350,000	6,160,000	7,005,939
Galadari Hotels PLC	7,000	117,600	60,075	7,000	101,500	60,075
Citrus Hikkaduwa PLC	33,742	158,587	674,840	33,742	172,084	674,840
John Keells Hotels PLC	530,416	9,865,738	8,907,235	530,416	10,024,862	8,907,235
Marawila Resorts PLC	10,000,000	34,000,000	17,994,264	6,681,037	14,030,178	11,356,338
Pegasus Hotels of Ceylon PLC	22,666	547,718	499,202	22,666	777,444	499,202
Royal Palms Beach PLC	15,700	471,000	628,738	15,700	412,910	628,738
Serendib Hotels PLC (Non - voting)	125,000	1,225,000	671,268	125,000	837,500	296,268
Taj Lanka Hotels PLC	19,500	351,000	182,097	19,500	296,400	182,097
The Light House Hotel PLC	114,800	4,093,000	1,947,676	114,800	3,134,040	1,947,676
The Fortress Resorts PLC	50	1,150	866	50	1,100	866
Palm Garden Hotels	15,164	623,240	710,548	15,164	834,020	710,548
	<b>11,596,167</b>	<b>75,879,070</b>	<b>46,236,912</b>	<b>8,277,204</b>	<b>55,383,520</b>	<b>39,223,986</b>
Balance carried forward	17,926,906	545,677,575	195,028,237	15,016,806	419,603,994	184,153,139

# Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

## 11. Financial Instruments (Contd)

### (e) Financial assets at fair value through profit or loss (Contd)

Listed shares (Contd)

	Group					
	31 March 2024			31 March 2023		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	17,926,906	545,677,575	195,028,237	15,016,806	419,603,994	184,153,139
<b>DIVERSIFIED FINANCIALS</b>						
Alliance Finance Company PLC	80,000	7,232,000	352,690	80,000	5,344,000	352,690
Central Finance PLC	40,318	4,303,947	821,367	40,318	2,919,023	821,367
Ceylon Guardian Investments Trust PLC	151,416	13,491,166	1,567,074	152,189	10,296,560	1,573,798
Ceylon Investments PLC	601,208	28,437,138	2,823,808	607,159	20,339,827	2,851,757
Lanka Orix Leasing Company Holdings PLC	355,734	141,404,265	2,917,234	399,000	149,625,000	3,282,937
Lanka Ventures PLC	339,700	9,069,990	11,404,583	339,700	12,908,600	11,404,583
Lanka Orix Finance PLC	99,250	545,875	619,623	99,250	595,500	619,623
People's Merchant Bank PLC	1,500	7,050	27,005	1,500	7,800	27,005
Merchant Bank of Sri Lanka PLC	124,879	636,883	8,170,229	124,879	424,589	8,170,229
LOLC General Insurance	2,300	14,030	18,170	2,300	16,560	18,170
Guardian Capital Partners PLC	117,879	3,359,551	8,380,050	113,000	1,932,300	8,252,675
	<b>1,914,184</b>	<b>208,501,895</b>	<b>37,101,833</b>	<b>1,959,295</b>	<b>204,409,758</b>	<b>37,374,833</b>
<b>ENERGY</b>						
Lanka IOC PLC	174,600	20,384,550	5,417,806	174,600	29,943,900	5,417,806
	<b>174,600</b>	<b>20,384,550</b>	<b>5,417,806</b>	<b>174,600</b>	<b>29,943,900</b>	<b>5,417,806</b>
<b>FOOD &amp; STAPLES RETAILING</b>						
Cargills (Ceylon) PLC	146,057	52,580,520	4,386,183	146,057	34,031,281	4,386,183
	<b>146,057</b>	<b>52,580,520</b>	<b>4,386,183</b>	<b>146,057</b>	<b>34,031,281</b>	<b>4,386,183</b>
<b>FOOD BEVERAGE &amp; TOBACCO</b>						
Bukit Darah PLC	896	364,896	250,317	896	384,384	250,317
Carson Cumberbatch PLC	664	171,976	80,980	664	180,442	80,980
Ceylon Cold Stores PLC	93,200	5,023,480	177,516	93,200	3,728,000	177,516
Ceylon Grain Elevators PLC	30,000	5,115,000	301,978	30,000	2,517,000	301,978
Ceylon Tobacco Company PLC	3,500	4,298,875	140,004	3,500	2,382,625	140,004
Lanka Milk Foods PLC	1,330	36,176	3,830	133	18,720	3,830
MELSTACORP PLC	10,000	880,000	652,469	10,000	549,000	652,469
	<b>139,590</b>	<b>15,890,403</b>	<b>1,607,094</b>	<b>138,393</b>	<b>9,760,171</b>	<b>1,607,094</b>
Balance carried forward	20,301,337	843,034,943	243,541,153	17,435,151	697,749,104	232,939,055

## 11. Financial Instruments (Contd)

### (e) Financial assets at fair value through profit or loss (Contd)

Listed shares (Contd)

	Group					
	31 March 2024			31 March 2023		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	20,301,337	843,034,943	243,541,153	17,435,151	697,749,104	232,939,055
<b>FOOD BEVERAGE &amp; TOBACCO</b>						
Nestle Lanka PLC	-	-	-	4,700	5,024,300	404,444
Renuka Agrifoods PLC	32,056	118,607	108,324	31,560	164,112	105,641
Renuka Foods PLC (voting)	25,433	356,062	326,264	25,000	535,000	316,563
Sunshine Holdings PLC	2,136	127,092	23,736	2,136	96,120	23,736
Three Acre Farms PLC	25,000	6,887,500	215,528	25,000	3,268,750	215,528
Watawala Plantations PLC	364,201	32,304,629	494,532	364,201	27,132,974	494,532
Browns Investments PLC	-	-	-	706,000	4,236,000	1,932,938
Hatton Plantations PLC	432,000	11,102,400	-	432,000	8,078,400	-
Keells Food Products PLC	3,570	524,790	174,451	3,570	571,200	174,451
Ceylon Tea Services PLC	1,428	1,421,217	86,333	1,428	1,456,560	86,333
Lankem Developments PLC	2,400,000	40,560,000	6,137,104	2,400,000	60,000,000	6,137,104
	<b>3,285,824</b>	<b>93,402,297</b>	<b>7,566,272</b>	<b>3,995,595</b>	<b>110,563,416</b>	<b>9,891,270</b>
<b>HEALTH CARE EQUIPMENT &amp; SERVICES</b>						
Asiri Hospitals PLC	353,000	8,825,000	894,671	353,000	8,789,700	894,671
Asiri Surgical PLC	112,500	1,305,000	277,419	112,500	1,406,250	277,419
Ceylon Hospitals PLC	13,330	1,356,327	300,144	13,330	1,271,682	300,144
The Lanka Hospital Corporation PLC	33,000	3,828,000	488,930	33,000	3,729,000	488,930
	<b>511,830</b>	<b>15,314,327</b>	<b>1,961,164</b>	<b>511,830</b>	<b>15,196,632</b>	<b>1,961,164</b>
<b>INSURANCE</b>						
HNB Assurance PLC	300,000	17,820,000	1,307,990	300,000	14,970,000	1,307,990
Amana Takaful PLC	-	-	-	75,000	900,000	753,490
Softlogic Life Insurance PLC	100,000	6,610,000	284,446	100,000	8,440,000	284,446
	<b>400,000</b>	<b>24,430,000</b>	<b>1,592,436</b>	<b>475,000</b>	<b>24,310,000</b>	<b>2,345,926</b>
Balance carried forward	24,498,991	976,181,567	254,661,025	22,417,576	847,819,152	247,137,415

# Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

## 11. Financial Instruments (Contd)

### (e) Financial assets at fair value through profit or loss (Contd)

Listed shares (Contd)

	Group					
	31 March 2024			31 March 2023		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	24,498,991	976,181,567	254,661,025	22,417,576	847,819,152	247,137,415
<b>MATERIALS</b>						
Chemanax PLC	17,700	1,274,400	1,557,813	17,700	1,371,750	1,557,813
Chevron Lubricants PLC	47,460	5,113,815	3,481,563	47,460	4,347,336	3,481,563
Dipped Products PLC	350,240	10,647,296	1,561,838	350,240	9,701,648	1,561,838
Tokyo Cement Company (Lanka) PLC	119,150	6,136,225	545,391	108,319	5,415,950	545,391
Tokyo Cement Company (Lanka) PLC (Non Voting)	501,050	21,996,095	3,379,162	455,500	20,725,250	3,379,162
Union Chemicals Lanka PLC	100	59,525	1,000	100	69,875	1,000
Haycarb PLC	3,450	263,925	10,090	3,450	194,235	10,090
Bogala Graphite Lanka PLC	11,200	577,920	37,270	11,200	728,000	37,270
Rich Pieris Exports PLC	39,600	17,344,800	692,400	39,600	22,077,000	692,400
Lanka Cement PLC	5,000	-	39,153	5,000	-	39,153
Pelwatte Sugar Industries PLC	5,000	-	95,792	5,000	-	95,792
	<b>1,099,950</b>	<b>63,414,001</b>	<b>11,401,472</b>	<b>1,043,569</b>	<b>64,631,044</b>	<b>11,401,472</b>
<b>REAL ESTATE</b>						
Colombo Land & Development PLC	522,460	9,247,542	4,782,685	522,460	10,501,446	4,782,685
East West Properties PLC	48,000	398,400	338,143	48,000	403,200	338,143
York Arcade Holdings PLC	35	4,585	38	35	4,979	38
Equity Two PLC	25,200	1,035,720.00	217,016	25,200	957,600	217,016
C T Land Development PLC	3,333	76,659.00	13,740	3,333	90,324	13,740
Touchwood Investments PLC	600,000	-	10,602,116	600,000	-	10,602,116
	<b>1,199,028</b>	<b>10,762,906</b>	<b>15,953,738</b>	<b>1,199,028</b>	<b>11,957,549</b>	<b>15,953,738</b>
<b>RETAILING</b>						
United Motors Lanka PLC	34,881	2,023,097	334,361	34,881	2,089,372	334,361
ODEL PLC	1,500	19,500	22,500	1,500	25,200	22,500
Singer Sri Lanka PLC	1,455,664	23,436,190	3,311,744	6,000	90,000	2,989
John Keells PLC	20,000	1,296,000	382,531	20,000	1,376,000	382,531
	<b>1,512,045</b>	<b>26,774,787</b>	<b>4,051,136</b>	<b>62,381</b>	<b>3,580,572</b>	<b>742,381</b>
Balance carried forward	28,310,014	1,077,133,263	286,067,371	24,722,554	927,988,317	275,235,006



## 11. Financial Instruments (Contd)

### (e) Financial assets at fair value through profit or loss (Contd)

#### Listed shares (Contd)

	Group					
	31 March 2024			31 March 2023		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	28,310,014	1,077,133,263	286,067,371	24,722,554	927,988,317	275,235,006
<b>TRANSPOTATION</b>						
Expolanka PLC	55,000	8,277,500	13,309,566	55,000	7,590,000	13,309,566
	<b>55,000</b>	<b>8,277,500</b>	<b>13,309,566</b>	<b>55,000</b>	<b>7,590,000</b>	<b>13,309,566</b>
<b>TELECOMMUNICATION SERVICES</b>						
Dialog Axiata PLC	15,000	175,500	224,453	15,000	156,000	224,453
	<b>15,000</b>	<b>175,500</b>	<b>224,453</b>	<b>15,000</b>	<b>156,000</b>	<b>224,453</b>
<b>UTILITIES</b>						
Panasian Power PLC	29,200	119,720	87,600	29,200	99,280	87,600
Resus Energy PLC	162,367	2,857,659	3,177,976	162,367	2,191,955	3,177,976
Vallibel Power Erathna PLC	39,017	288,726	85,634	39,017	261,415	85,634
Vidullanka PLC	652,053	4,694,783	1,029,836	652,053	3,847,113	1,029,836
	<b>882,637</b>	<b>7,960,888</b>	<b>4,381,046</b>	<b>882,637</b>	<b>6,399,763</b>	<b>4,381,046</b>
<b>Total listed shares</b>	<b>29,262,651</b>	<b>1,093,547,151</b>	<b>303,982,436</b>	<b>25,675,191</b>	<b>942,134,080</b>	<b>293,150,071</b>
<b>Unlisted shares</b>						
Bartleet Transcapital (Private) Limited	10,000	200,000	200,000	10,000	200,000	200,000
<b>Total Unlisted Shares</b>	<b>10,000</b>	<b>200,000</b>	<b>200,000</b>	<b>10,000</b>	<b>200,000</b>	<b>200,000</b>
<b>Unit trust</b>						
NDB Wealth Growth & Income Fund	15,826	943,232	290,768	15,826	694,606	290,768
National Equity Fund	12,000	534,000	120,000	12,000	423,426	120,000
Ceybank Unit Trust	318,639	11,044,028	5,037,138	318,639	10,696,710	5,037,138
	<b>346,465</b>	<b>12,521,260</b>	<b>5,447,906</b>	<b>346,465</b>	<b>11,814,742</b>	<b>5,447,906</b>
<b>Financial assets at at fair value through profit or loss</b>	<b>29,619,116</b>	<b>1,106,268,411</b>	<b>309,630,342</b>	<b>26,031,656</b>	<b>954,148,822</b>	<b>298,797,977</b>

# Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

## 11. Financial Instruments (Contd)

### (e) Financial assets at fair value through profit or loss (Contd)

Listed shares

	Company					
	31 March 2024			31 March 2023		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
<b>AUTOMOBILES &amp; COMPONENTS</b>						
Kelani Tyres PLC	160	11,200	934	160	9,504	934
	<b>160</b>	<b>11,200</b>	<b>934</b>	<b>160</b>	<b>9,504</b>	<b>934</b>
<b>BANKS</b>						
Commercial Bank of Ceylon PLC	16,574	1,619,280	692,353	15,653	995,531	632,480
Development Finance Corporation of Ceylon PLC	6,901	524,476	347,200	6,731	295,491	333,738
Hatton National Bank PLC	62,319	11,217,420	3,519,144	59,779	7,741,381	3,265,083
Hatton National Bank PLC (Non-voting)	27,740	4,167,935	1,416,312	26,275	2,317,453	1,304,643
National Development Bank PLC	7,850	533,800	411,208	7,470	335,403	394,157
Pan Asia Bank PLC	9,000	191,700	95,298	9,000	112,500	95,298
Sampath Bank PLC	20,176	1,614,080	398,810	19,689	1,033,673	379,564
Seylan Bank PLC (Non Voting)	48,362	1,837,756	742,970	44,772	1,007,370	666,858
	<b>198,922</b>	<b>21,706,447</b>	<b>7,623,295</b>	<b>189,369</b>	<b>13,838,802</b>	<b>7,071,822</b>
<b>CAPITAL GOODS</b>						
ACL Cables PLC	40,000	3,364,000	419,041	40,000	3,292,000	419,041
Hayleys PLC	160	13,136	1,446	160	11,520	1,446
Hemas Holding PLC	777	62,471	16,311	777	50,505	16,311
Richard Peiris & Company PLC	195	3,997	486	195	4,037	486
Sierra Cables PLC	2,500	29,750	6,177	2,500	30,000	6,177
	<b>43,632</b>	<b>3,473,354</b>	<b>443,461</b>	<b>43,632</b>	<b>3,388,062</b>	<b>443,461</b>
<b>CONSUMER DURABLES &amp; APPAREL</b>						
Dankotuwa Porcelain PLC	22,500	553,500	216,647	22,500	461,250	216,647
Regnis (Lanka) PLC	-	-	-	26,506	1,219,276	221,568
Hela Apperal PLC	3,000	18,300	45,000	3,000	24,000	45,000
	<b>25,500</b>	<b>571,800</b>	<b>261,647</b>	<b>52,006</b>	<b>1,704,526</b>	<b>483,215</b>
<b>Balance carried forward</b>	<b>268,214</b>	<b>25,762,801</b>	<b>8,329,337</b>	<b>285,167</b>	<b>18,940,894</b>	<b>7,999,432</b>

## 11. Financial Instruments (Contd)

### (e) Financial assets at fair value through profit or loss (Contd)

Listed shares (Contd)

	Company					
	31 March 2024			31 March 2023		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	268,214	25,762,801	8,329,337	285,167	18,940,894	7,999,432
<b>CONSUMER SERVICES</b>						
Asian Hotels Properties PLC	20,000	1,220,000	277,228	20,000	880,000	277,228
Ceylon Hotel Corporation PLC	10,478	199,082	253,714	10,478	235,755	253,714
Eden Hotel PLC	100,000	1,290,000	1,960,345	100,000	1,760,000	1,960,345
John Keells Hotels PLC	76,030	1,414,158	456,180	76,030	1,436,967	456,180
Palm Garden Hotels PLC	15,164	623,240	710,548	15,164	834,020	710,548
Pegasus Hotels of Ceylon PLC	2,400	81,600	49,144	2,400	82,320	49,144
Light House Hotel PLC	24,800	682,000	259,528	24,800	677,040	259,528
	<b>248,872</b>	<b>5,510,080</b>	<b>3,966,687</b>	<b>248,872</b>	<b>5,906,102</b>	<b>3,966,687</b>
<b>DIVERSIFIED FINANCIALS</b>						
Ceylon Guardian Investments PLC	12,887	1,148,232	368,776	12,887	876,315	368,776
Ceylon Investments PLC	38,784	1,834,483	276,759	39,167	1,312,095	279,492
Lanka Orix Leasing Company Holdings PLC	27,000	10,732,500	138,639	27,000	10,125,000	138,639
Lanka Ventures PLC	60,000	1,602,000	2,777,356	60,000	2,280,000	2,777,356
Merchant Bank of Sri Lanka PLC	124,879	636,883	8,170,229	124,879	424,589	8,170,229
Galle Face Capital Partners PLC	2,086	59,451	448,244	2,000	34,200	445,989
	<b>265,636</b>	<b>16,013,549</b>	<b>12,180,003</b>	<b>265,933</b>	<b>15,052,199</b>	<b>12,180,481</b>
<b>ENERGY</b>						
Lanka IOC PLC	15,800	1,844,650	665,931	15,800	2,709,700	665,931
	<b>15,800</b>	<b>1,844,650</b>	<b>665,931</b>	<b>15,800</b>	<b>2,709,700</b>	<b>665,931</b>
Balance carried forward	798,522	49,131,080	25,141,958	815,772	42,608,895	24,812,531

# Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

## 11. Financial Instruments (Contd)

### (e) Financial assets at fair value through profit or loss (Contd)

Listed shares (Contd)

	Company					
	31 March 2024			31 March 2023		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	798,522	49,131,080	25,141,958	815,772	42,608,895	24,812,531
<b>FOOD BEVERAGE &amp; TOBACCO</b>						
Ceylon Cold Stores PLC	36,000	1,940,400	52,293	36,000	1,440,000	52,293
Ceylon Tobacco Company PLC	2,000	2,456,500	80,028	2,000	1,361,500	80,028
Watawala Plantations PLC	143,320	12,712,484	174,201	143,320	10,677,340	174,201
Ceylon Tea Services PLC	1,428	1,421,217	86,333	1,428	1,456,560	86,333
Hatton Plantations PLC	170,000	4,369,000	-	170,000	3,179,000	-
	<b>352,748</b>	<b>22,899,601</b>	<b>392,855</b>	<b>352,748</b>	<b>18,114,400</b>	<b>392,855</b>
<b>HEALTH CARE EQUIPMENT &amp; SERVICES</b>						
Ceylon Hospital PLC (Durdans)	6,000	610,500	139,509	6,000	572,400	139,509
The Lanka Hospital Corporation PLC	3,000	348,000	46,505	3,000	339,000	46,505
	<b>9,000</b>	<b>958,500</b>	<b>186,014</b>	<b>9,000</b>	<b>911,400</b>	<b>186,014</b>
<b>MATERIALS</b>						
Dipped Products PLC	50,000	1,520,000	405,750	50,000	1,385,000	405,750
Haycarb PLC	3,450	263,925	10,090	3,450	194,235	10,090
Tokyo Cement Company (Lanka) PLC	1,730	89,095	4,450	1,573	78,650	4,450
	<b>55,180</b>	<b>1,873,020</b>	<b>420,290</b>	<b>55,023</b>	<b>1,657,885</b>	<b>420,290</b>
<b>REAL ESTATE</b>						
East West Properties PLC	24,000	199,200	117,778	24,000	201,600	117,778
C T Land Development PLC	3,333	76,659	13,740	3,333	90,325	13,740
	<b>27,333</b>	<b>275,859</b>	<b>131,518</b>	<b>27,333</b>	<b>291,925</b>	<b>131,518</b>
<b>RETAILING</b>						
Singer Sri Lanka PLC	99,866	1,607,843	223,317	3,000	45,000	1,749
John Keells PLC	8,000	518,400	192,783	8,000	550,400	192,783
	<b>107,866</b>	<b>2,126,243</b>	<b>416,100</b>	<b>11,000</b>	<b>595,400</b>	<b>194,532</b>
Balance carried forward	1,350,649	77,264,303	26,688,735	1,270,876	64,179,905	26,137,740

## 11. Financial Instruments (Contd)

### (e) Financial assets at fair value through profit or loss (Contd)

#### Listed shares (Contd)

	Company					
	31 March 2024			31 March 2023		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	1,350,649	77,264,303	26,688,735	1,270,876	64,179,905	26,137,740
<b>TELECOMMUNICATION SERVICES</b>						
Dialog Axiata PLC	15,000	175,500	224,453	15,000	156,000	224,453
	15,000	175,500	224,453	15,000	156,000	224,453
<b>UTILITIES</b>						
Vallibel Power Erathna PLC	7,610	56,313	17,150	7,610	50,987	17,150
	7,610	56,313	17,150	7,610	50,987	17,150
<b>Total Listed Shares</b>	<b>1,373,259</b>	<b>77,496,116</b>	<b>26,930,338</b>	<b>1,293,486</b>	<b>64,386,892</b>	<b>26,379,343</b>
<b>Unit trust</b>						
Ceybank Unit Trust	318,639	11,044,028	5,037,138	318,639	10,696,711	5,037,138
	318,639	11,044,028	5,037,138	318,639	10,696,711	5,037,138
<b>Financial assets at fair value through profit or loss</b>	<b>1,691,898</b>	<b>88,540,144</b>	<b>31,967,476</b>	<b>1,612,125</b>	<b>75,083,603</b>	<b>31,416,481</b>

# Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

## 11. Financial Instruments (Contd)

### (f) Financial asset at fair Value through Other Comprehensive Income

Listed shares

	Group					
	31 March 2024			31 March 2023		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
<b>AUTOMOBILES &amp; COMPONENTS</b>						
Kelani Tyres PLC	360	25,200	1,594	360	21,384	1,594
	<b>360</b>	<b>25,200</b>	<b>1,594</b>	<b>360</b>	<b>21,384</b>	<b>1,594</b>
<b>BANKS</b>						
Commercial Bank of Ceylon PLC-Voting	22,852	2,232,640	1,921,759	333	21,179	15,586
DFCC Bank PLC	18	1,368	596	18	790	596
Hatton National Bank PLC-Voting	10	1,800	225	10	1,295	225
The Housing Development Finance Corporation						
Bank of Sri Lanka	100	3,200	3,650	100	2,710	3,650
National Development Bank PLC	139	9,452	8,275	133	5,972	7,972
Nation Trust Bank PLC_Voting	3,071	330,133	66,530	3,009	192,576	66,530
Pan Asia Banking Corporation PLC	3,000	63,900	23,638	3,000	37,500	23,638
Sampath Bank PLC	937	74,960	25,648	915	48,038	24,754
Seylan Bank PLC-Non-Voting	250	9,500	6,593	232	5,220	6,197
Seylan Bank PLC-Voting	8	376	361	8	266	361
Union Bank of Colombo PLC	100	940	2,500	100	900	2,500
	<b>30,485</b>	<b>2,728,269</b>	<b>2,059,775</b>	<b>7,858</b>	<b>316,446</b>	<b>152,009</b>
<b>CAPITAL GOODS</b>						
ACL Cables PLC	1,152	96,883	1,916	1,152	94,810	1,916
Aitken Spence PLC	555	72,289	9,852	555	72,704	9,852
Colombo Dockyard PLC	15	729	413	15	960	413
E B Creasy & Company PLC	26,777,200	615,875,600	20,122,028	26,777,200	538,221,720	20,122,028
Hayleys PLC	8,590	705,239	735,263	90	6,480	1,013
	<b>26,787,512</b>	<b>616,750,740</b>	<b>20,869,472</b>	<b>26,779,012</b>	<b>538,396,674</b>	<b>20,135,222</b>
<b>Balance carried forward</b>	<b>26,818,357</b>	<b>619,504,209</b>	<b>22,930,841</b>	<b>26,787,230</b>	<b>538,734,504</b>	<b>20,288,825</b>

## 11. Financial Instruments (Contd)

### (f) Financial asset at fair Value through Other Comprehensive Income (Contd)

Listed shares (Contd)

	Group					
	31 March 2024			31 March 2023		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	26,818,357	619,504,209	22,930,841	26,787,230	538,734,504	20,288,825
<b>CAPITAL GOODS</b>						
Hemas Holdings PLC	719	57,808	9,968	719	46,735	9,968
John Keells Holdings PLC_JKH	192	37,248	10,898	192	26,880	10,898
Lanka Ashok Leyland PLC	90	62,123	827	90	70,920	827
Lanka Tiles PLC (Prev.Lanka Floortiles PLC)	10,760	556,292	468,444	260	11,206	1,194
Lanka Walltiles PLC	10,665	542,849	478,882	165	7,937	4,432
Laxapana PLC	600	9,600	6,742	600	7,860	6,742
Renuka Holdings PLC-Voting	1,252	16,401	18,217	1,222	16,008	17,728
Renuka Holdings PLC- Non Voting	175	1,960	1,604	170	1,921	1,536
Richard Peiris & Company PLC	3,705	75,953	2,032	3,705	76,694	2,032
Royal Ceramics Lanka PLC	10,560	328,416	302,162	60	1,656	62
Sierra Cables PLC	1,200	14,280	3,600	1,200	14,400	3,600
The Colombo Fort Land & Building PLC	5,800,333	174,009,990	14,173,660	5,800,333	151,388,691	14,173,660
Unisyst_Alufab PLC	180	1,044	2,551	180	972	2,551
Brown & Company PLC	100	11,000	2,945	100	11,950	2,945
Lanka Ceramic PLC	7	694	528	7	700	528
Lankem Ceylon PLC	3,117,067	211,960,554	229,779,881	560,300	42,414,710	23,478,206
Touchwood Investments PLC	-	-	-	-	-	1,221
	<b>8,957,605</b>	<b>387,686,212</b>	<b>245,262,941</b>	<b>6,369,303</b>	<b>194,099,240</b>	<b>37,718,130</b>
<b>COMMERCIAL &amp; PROFESSIONAL SERVICES</b>						
Gestetner of Ceylon PLC	229	26,850	8,264	229	15,366	8,264
Paragon Ceylon PLC	100	6,300	1,017	100	4,000	1,017
	<b>329</b>	<b>33,150</b>	<b>9,281</b>	<b>329</b>	<b>19,366</b>	<b>9,281</b>
<b>CONSUMER DURABLES &amp; APPAREL</b>						
Abans Electrical PLC	240	38,280	10,341	240	37,920	10,341
Dankotuwa Porcelain PLC	166	4,083	2,534	166	3,403	2,534
Hayleys Fabric PLC	818	33,620	7,302	818	20,614	7,302
Hayleys Fibre PLC (Prev.Hayleys Exports PLC)	315	16,412	1,830	315	15,782	1,830
	<b>1,539</b>	<b>92,395</b>	<b>22,007</b>	<b>1,539</b>	<b>77,718</b>	<b>22,007</b>
Balance carried forward	35,777,830	1,007,315,966	268,225,070	33,158,401	732,930,828	58,038,243

# Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

## 11. Financial Instruments (Contd)

### (f) Financial asset at fair Value through Other Comprehensive Income (Contd)

Listed shares (Contd)

	Group					
	31 March 2024			31 March 2023		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	35,777,830	1,007,315,966	268,225,070	33,158,401	732,930,828	58,038,243
<b>CONSUMER DURABLES &amp; APPAREL</b>						
Regnis (Lanka) PLC	-	-	-	60	2,760	567
Ambeon holdings PLC	1,002	37,474	1,791	1,002	35,070	1,791
Kelsey Developments PLC	337	7,246	4,156	337	7,178	4,156
Singer Industries (Ceylon) PLC	-	-	-	170	6,256	891
Blue Diamond Jewellery Worldwide PLC	22	9	76	22	20	76
	<b>1,361</b>	<b>44,729</b>	<b>6,023</b>	<b>1,591</b>	<b>51,284</b>	<b>7,481</b>
<b>CONSUMER SERVICES</b>						
Aitken Spence Hotel Holdings PLC	140	9,268	1,616	140	8,386	1,616
Amaya Leisure PLC	554	11,080	2,209	554	13,296	2,209
Asian Hotels Properties PLC	200	12,200	616	200	8,800	616
Ceylon Hotels Corporation PLC	534	10,146	2,120	534	12,015	2,120
Citrus Leisure PLC	53	265	606	53	350	606
Dolphin Hotels PLC (Prev.Stafford Hotels PLC)	125	4,388	717	125	4,000	717
The Kingsbury PLC	1,374	14,839	3,142	1,374	13,603	3,142
Sigiriya Village Hotels PLC	1,194,518	54,231,117	38,652,691	1,194,518	66,893,008	38,652,691
Browns Beach Hotels PLC	150	1,950	341	150	1,815	341
Hunas Falls Hotels PLC	7,500	201,750	303	7,500	227,250	303
Eden Hotel Lanka PLC	200	2,580	1,616	200	3,520	1,616
Galadari Hotel (Lanka) PLC	100	1,680	241	100	1,450	241
John Keells Hotels PLC	1,506	28,012	5,481	1,506	28,463	5,481
Mahaweli Reach Hotels PLC	100	1,300	867	100	1,290	867
Beruwala Resort PLC	45,000	63,000	80,999	30,000	42,000	63,000
Marawila Resort PLC	1,667,732	5,670,289	9,018,580	1,000,640	2,101,344	7,684,396
Palm Garden Hotels PLC	56	2,458	2,826	56	3,080	2,826
Pegasus Hotels of Ceylon PLC	133	3,059	1,443	133	4,562	1,443
Royal Palms Beach Hotels PLC	100	3,000	892	100	2,630	892
Taj Lanka Hotels PLC	100	1,800	316	100	1,520	316
The Lighthouse Hotel PLC	100	3,790	742	100	2,730	742
The Fortress Resort PLC	500	11,500	4,884	500	11,000	4,884
The Nuwara Eliya Hotels Company PLC	12	20,709	3,553	12	17,880	3,553
Hotel Developers (Lanka) PLC	4	-	296	-	-	-
	<b>2,920,791</b>	<b>60,310,180</b>	<b>47,787,097</b>	<b>2,238,695</b>	<b>69,403,992</b>	<b>46,434,618</b>
Balance carried forward	38,699,982	1,067,670,875	316,018,190	35,398,687	802,386,103	104,480,342



## 11. Financial Instruments (Contd)

### (f) Financial asset at fair Value through Other Comprehensive Income (Contd)

Listed shares (Contd)

	Group					
	31 March 2024			31 March 2023		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	38,699,982	1,067,670,875	316,018,190	35,398,687	802,386,103	104,480,342
<b>REAL ESTATE</b>						
York Arcade Holdings PLC	28	3,668	578	28	3,983	578
	<b>28</b>	<b>3,668</b>	<b>578</b>	<b>28</b>	<b>3,983</b>	<b>578</b>
<b>DIVERSIFIED FINANCIALS</b>						
Central Finance Company PLC	10	1,068	206	10	724	206
Ceylon Guardian Investments Trust PLC	174	15,503	1,670	174	11,832	1,670
Ceylon Investment PLC	467	22,089	2,409	471	15,779	2,543
Lanka Orix Leasing Company Holding PLC	800	318,000	917	800	300,000	917
Lanka Ventures PLC	100	2,670	767	100	3,800	767
LB Finance PLC	4,624	289,925	3,196	4,624	254,320	3,196
Merchant Bank of Sri Lanka PLC	67	342	643	67	228	643
SMB Leasing PLC (Prev. Seylan Merchant Bank PLC)_Voting	3,610	2,527	2,731	3,610	2,527	2,731
Associated Motor Finance Company PLC	3,036	75,293	61,704	3,036	24,895	61,704
Asia Capital PLC	100	320	466	100	420	466
First Capital Holdings PLC ( Prev. V Capital )	14,400	495,360	10,707	14,400	457,920	10,707
The Indo Malay PLC	5	-	892	5	6,633	892
People's Merchant Finance PLC	270	1,269	3,517	270	1,404	3,517
Selinsing PLC	36	-	9,111	36	25,065	9,111
Colombo Fort Investments PLC	106	6,890	3,146	104	7,020	3,020
Colombo Investment Trust PLC	149	14,750	2,884	148	17,537	2,707
Nation Lanka Finance PLC	625	250	4,641	625	313	4,641
The Finance Company PLC	20	-	336	20	-	336
Vanik Incorporation PLC-Voting	-	-	165	-	-	165
Vanik Incorporation PLC-Non-Voting	-	-	25	-	-	25
	<b>28,599</b>	<b>1,246,256</b>	<b>110,133</b>	<b>28,600</b>	<b>1,130,417</b>	<b>109,964</b>
<b>ENERGY</b>						
Lanka IOC PLC	800	93,400	21,600	800	137,200	21,600
	<b>800</b>	<b>93,400</b>	<b>21,600</b>	<b>800</b>	<b>137,200</b>	<b>21,600</b>
Balance carried forward	38,729,409	1,069,014,199	316,150,501	35,428,115	803,657,703	104,612,484

# Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

## 11. Financial Instruments (Contd)

### (f) Financial asset at fair Value through Other Comprehensive Income (Contd)

Listed shares (Contd)

	Group					
	31 March 2024			31 March 2023		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	38,729,409	1,069,014,199	316,150,501	35,428,115	803,657,703	104,612,484
<b>FOOD &amp; STAPLES RETAILING</b>						
CT Holdings PLC (Prev.Ceylon Theaters PLC)	223	58,370	6,921	223	40,140	6,921
Cargills (Ceylon) PLC	343	123,480	8,522	343	79,919	8,522
Ceylon & Foreign Trades PLC_CFT	10,000	-	4,559	10,000	-	4,559
Tess Agro PLC_voting	2,053	2,053	1,517	2,053	2,258	1,517
	<b>12,619</b>	<b>183,903</b>	<b>21,519</b>	<b>12,619</b>	<b>122,317</b>	<b>21,519</b>
<b>FOOD BEVERAGE &amp; TOBACCO</b>						
Agalawatte Plantations PLC	100	3,410	717	100	3,020	717
Agarapatana Plantations PLC	9,772,288	72,314,931	78,423,483	-	-	-
Bairaha Farms PLC	110	19,030	717	110	15,950	717
Balangoda Plantations PLC	110	5,511	2,225	110	7,293	2,225
The Bukit Darah PLC	10	4,073	3,041	10	4,290	3,041
Carson Cumberbatch PLC	191	49,469	10,125	191	51,904	10,125
Ceylon Cold Stores PLC	640	34,496	1,097	640	25,600	1,097
Ceylon Grain Elevators PLC	10	1,705	158	10	839	158
Ceylon Tobacco Company PLC	7	8,598	239	7	4,765	239
Convenience Foods (Lanka) PLC (Prev. Soy Foods PLC)	90	82,800	646	90	108,720	646
Horana Plantations PLC	20	790	155	20	1,050	155
Kegalle Plantations PLC	100	12,050	817	100	12,800	817
Kelani Valley Plantations PLC	200	14,800	993	200	14,100	993
Kotagala Plantations PLC	1,252	7,762	3,862	1,252	7,637	3,862
Lanka Milk Foods (CWE) PLC	1,330	36,176	3,052	133	18,720	3,052
Malwatte Valley Plantations PLC_voting	1,000	65,500	1,221	1,000	78,000	1,221
Melstacorp PLC	400	35,200	892	400	21,960	892
Namunukula Plantations PLC	100	35,450	717	100	36,275	717
Nestle Lanka PLC	-	-	-	40	42,760	3,972
Renuka Foods PLC Voting	20	280	165	20	428	165
Talawakelle Tea Estates PLC	1,200	136,500	12,000	1,200	98,520	12,000
Tea Smallholder Factories PLC	142	5,893	3,023	142	6,248	3,023
Three Acre Farms PLC	19	5,235	301	19	2,484	301
Watawala Plantations PLC	4,215	373,870	16,075	4,215	314,018	16,075
	<b>9,783,554</b>	<b>73,253,529</b>	<b>78,485,721</b>	<b>10,109</b>	<b>877,381</b>	<b>66,210</b>
Balance carried forward	48,525,582	1,142,451,631	394,657,741	35,450,843	804,657,401	104,700,213

## 11. Financial Instruments (Contd)

### (f) Financial asset at fair Value through Other Comprehensive Income (Contd)

Listed shares (Contd)

	Group					
	31 March 2024			31 March 2023		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
<b>Balance brought forward</b>	<b>48,525,582</b>	<b>1,142,451,631</b>	<b>394,657,741</b>	<b>35,450,843</b>	<b>804,657,401</b>	<b>104,700,213</b>
<b>FOOD BEVERAGE &amp; TOBACCO</b>						
Distilleries Company of Sri Lanka PLC	118	3,174	878	118	2,313	878
Madulsima Plantations PLC	100	990	2,500	100	1,120	2,500
Bogawantalawa Tea Estate PLC	46	1,702	331	46	2,070	331
Browns Investments PLC	6,000	32,400	18,750	6,000	36,000	18,750
Ceylon Beverage Holdings PLC (Prev. Ceylon Brewery PLC)	50	76,638	5,217	50	56,700	5,217
Dilmah Ceylon Tea Company PLC	80	79,620	3,249	80	81,600	3,249
Hapugastenna Plantations PLC	200	6,580	2,892	200	8,800	2,892
Hatton Plantations PLC	5,000	128,500	-	5,000	93,500	-
Kahawatte Plantations PLC	266	4,389	3,631	266	5,346	3,631
Keells Food Products PLC	219	32,193	10,808	219	35,040	10,808
Maskeliya Plantations PLC	1,400	44,800	29,400	1,400	51,100	29,400
Udapussellawa Plantations PLC	100	7,320	892	100	7,750	892
Lankem Developments PLC	296	5,002	1,995	296	7,400	1,995
	<b>13,875</b>	<b>423,308</b>	<b>80,543</b>	<b>13,875</b>	<b>388,739</b>	<b>80,543</b>
<b>HEALTH CARE EQUIPMENT &amp; SERVICES</b>						
Asiri Hospital Holdings PLC	2,660	66,500	6,099	2,660	66,234	6,099
Asiri Surgical Hospital PLC	1,499	17,388	3,646	1,499	18,738	3,646
Ceylon Hospitals PLC-Non-Voting	130	13,228	2,270	130	12,402	2,270
Muller & Phipps (Ceylon) PLC	500	550	515	500	600	515
Nawaloka Hospitals PLC	26,666	103,997	20,000	26,666	151,996	20,000
The Lanka Hospital Corporation PLC	100	11,600	1,500	100	11,300	1,500
E-Channelling PLC	1,162	16,966	2,186	1,162	18,476	2,186
Singhe Hospital PLC	1,000	2,300	2,500	1,000	2,600	2,500
PC House PLC	-	-	11,000	-	-	11,000
	<b>33,717</b>	<b>232,529</b>	<b>49,716</b>	<b>33,717</b>	<b>282,346</b>	<b>49,716</b>
<b>Balance carried forward</b>	<b>48,573,174</b>	<b>1,143,107,468</b>	<b>394,788,000</b>	<b>35,498,435</b>	<b>805,328,486</b>	<b>104,830,472</b>

# Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

## 11. Financial Instruments (Contd)

### (f) Financial asset at fair Value through Other Comprehensive Income (Contd)

Listed shares (Contd)

	Group					
	31 March 2024			31 March 2023		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	48,573,174	1,143,107,468	394,788,000	35,498,435	805,328,486	104,830,472
<b>INSURANCE</b>						
Ceylinco Holdings PLC_Voting (Ceylinco Insurance PLC)	22	49,990	451	22	48,290	451
HNB Assurance PLC	600	35,640	2,655	600	29,940	2,655
Janashakthi Insurance Company PLC	1,800	78,840	56,247	1,800	47,880	56,247
Amana Takaful PLC	402	4,623	8,775	402	4,824	8,775
Softlogic Life Insurance PLC	1,000	66,100	1,120	1,000	84,400	1,120
	<b>3,824</b>	<b>235,193</b>	<b>69,248</b>	<b>3,824</b>	<b>215,334</b>	<b>69,248</b>
<b>MATERIALS</b>						
ACL Plastics PLC	100	39,275	3,174	100	39,200	3,174
ACME Printing and Packaging PLC	-	-	-	-	-	-
CIC Holdings PLC - Voting	108	7,614	366	108	7,690	366
Chemanax PLC	177	12,744	2,143	177	13,718	2,143
Chevron Lanka Lubrications PLC	400	43,100	8,395	400	36,640	8,395
Dipped Products PLC	860	26,144	1,518	860	23,822	1,518
Haycarb PLC	8,770	670,905	558,657	270	15,201	857
Industrial Asphalts (Ceylon) PLC	45,000	13,500	907	45,000	13,500	907
Lanka Aluminium Industries PLC	50	1,175	118	50	805	118
Piramal Glass Ceylon PLC (Prev.Ceylon Glass CO. PLC)	3,428	101,126	5,552	3,428	65,816	5,552
Samson International PLC	50	7,375	562	50	12,688	562
Swisstek (Ceylon) PLC (Prev.Parquet Ceylon PLC)	500	9,550	366	500	7,050	366
Tokyo Cement Company (Lanka) PLC-Voting	161	8,292	455	147	7,350	455
Bogala Graphite Lanka PLC	200	10,320	867	200	13,000	867
Richard Peiris Export PLC	92	40,295	2,542	92	51,290	2,542
Lanka Cement PLC	100	-	241	100	-	241
Pelwatte Sugar Industries PLC	-	-	-	-	-	466
J.L. Morison Sons & Jones Ceylon PLC-Non-Voting	-	-	17,406	-	-	17,406
J.L. Morison Sons & Jones Ceylon PLC-Voting	-	-	4,060	-	-	4,060
	<b>59,996</b>	<b>991,415</b>	<b>607,329</b>	<b>51,482</b>	<b>307,770</b>	<b>49,995</b>
Balance carried forward	48,636,994	1,144,334,076	395,464,577	35,553,741	805,851,590	104,949,715

## 11. Financial Instruments (Contd)

### (f) Financial asset at fair Value through Other Comprehensive Income (Contd)

Listed shares (Contd)

	Group					
	31 March 2024			31 March 2023		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	48,636,994	1,144,334,076	395,464,577	35,553,741	805,851,590	104,949,715
<b>REAL ESTATE</b>						
Colombo Land & Development Company PLC	1,400	24,780	2,259	1,400	28,140	2,259
East West Properties PLC	1,200	9,960	5,920	1,200	10,080	5,920
Overseas Reality (Ceylon) PLC	300	5,100	2,156	300	4,620	2,156
Seylan Developments PLC	-	-	-	204	2,550	1,438
Serendib Land PLC	33	42,900	7,467	33	43,544	7,467
C.T. Land Development PLC	167	3,841	767	167	4,526	767
Equity Two PLC	100	4,110	717	100	3,800	717
On'ally Holding PLC	155	3,875	241	155	4,355	241
Standard Capital PLC	400	14,800	16,791	400	16,960	16,791
	<b>3,755</b>	<b>109,366</b>	<b>36,318</b>	<b>3,959</b>	<b>118,575</b>	<b>37,755</b>
<b>RETAILING</b>						
C M Holdings PLC	185	14,874	5,020	185	11,674	5,020
Diesel & Motors Engineering PLC	6	3,080	195	6	2,796	195
Hunters & Company PLC	24	14,160	755	24	17,040	755
The Autodrome PLC	100	9,020	2,337	100	9,820	2,337
Singer Sri Lanka PLC	675	10,868	1,457	-	-	-
Odel PLC	100	1,300	1,500	100	1,680	1,500
C W Mackie PLC	1,010,100	95,959,500	54,220,642	1,010,100	82,727,190	54,220,642
John Keells PLC	336	21,772	1,751	336	23,116	1,751
Sathosa Motors PLC	66	13,200	2,142	66	9,884	2,142
	<b>1,011,592</b>	<b>96,047,774</b>	<b>54,235,799</b>	<b>1,010,917</b>	<b>82,803,200</b>	<b>54,234,342</b>
<b>TELECOMMUNICATION SERVICES</b>						
Dialog Axiata PLC	100	1,170	2,337	100	1,040	2,337
Sri Lanka Telecom PLC	200	18,000	3,377	200	18,800	3,377
	<b>300</b>	<b>19,170</b>	<b>5,714</b>	<b>300</b>	<b>19,840</b>	<b>5,714</b>
Balance carried forward	49,652,641	1,240,510,386	449,742,408	36,568,917	888,793,205	159,227,526

# Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

## 11. Financial Instruments (Contd)

### (f) Financial asset at fair Value through Other Comprehensive Income (Contd)

#### Listed shares (Contd)

	Group					
	31 March 2024			31 March 2023		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Balance brought forward	49,652,641	1,240,510,386	449,742,408	36,568,917	888,793,205	159,227,526
<b>UTILITIES</b>						
Panasian Power PLC	1,000	4,100	3,000	1,000	3,400	3,000
Resus Energy PLC (Prev.Hemas Power PLC)	1,475	25,960	24,189	1,475	19,915	24,189
Vallibel Power Erathna PLC	3,000	22,200	8,000	3,000	20,100	8,000
Vidullanka PLC	2,042	14,702	2,335	2,042	12,047	2,335
	7,517	66,962	37,524	7,517	55,462	37,524
<b>Total listed shares</b>	<b>49,660,158</b>	<b>1,240,577,348</b>	<b>449,779,932</b>	<b>36,576,434</b>	<b>888,848,667</b>	<b>159,265,050</b>

#### Unlisted shares

	Group					
	31 March 2024			31 March 2023		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
Metropolitan Resource Holdings PLC	22	618	1,243	22	618	1,243
Agarapatana Plantations PLC	-	-	-	4,138,888	38,518,506	35,500,521
Colombo Fort Hotels Limited	25,018,939	273,410,008	481,801,855	25,018,939	236,078,556	481,801,855
Consolidated Tea Plantations Limited	5,000,000	270,000,000	270,000,000	-	-	-
	30,018,961	543,410,626	751,803,098	29,157,849	274,597,680	517,303,619
<b>Financial assets at fair value through other comprehensive income</b>	<b>79,679,119</b>	<b>1,783,987,974</b>	<b>1,201,583,030</b>	<b>65,734,283</b>	<b>1,163,446,347</b>	<b>676,568,669</b>

## 11. Financial Instruments (Contd)

### (f) Financial asset at fair Value through Other Comprehensive Income (Contd)

#### Listed shares

	Company					
	31 March 2024			31 March 2023		
	Number of shares	Market value	Cost	Number of shares	Market value	Cost
<b>CAPITAL GOODS</b>						
Lankem Ceylon PLC	2,716,767	184,740,156	210,721,257	160,000	12,112,000	4,419,581
	<b>2,716,767</b>	<b>184,740,156</b>	<b>210,721,257</b>	<b>160,000</b>	<b>12,112,000</b>	<b>4,419,581</b>
<b>CONSUMER SERVICES</b>						
Beruwala Resorts PLC	45,000	63,000	81,000	30,000	42,000	63,000
Marawila Resorts PLC	1,666,666	5,666,665	9,014,332	1,000,000	2,100,000	7,681,000
	<b>1,711,666</b>	<b>5,729,665</b>	<b>9,095,332</b>	<b>1,030,000</b>	<b>2,142,000</b>	<b>7,744,000</b>
<b>REAL ESTATE</b>						
York Arcade Holdings PLC	28	3,668	578	28	3,983	578
	<b>28</b>	<b>3,668</b>	<b>578</b>	<b>28</b>	<b>3,983</b>	<b>578</b>
<b>CAPITAL GOODS</b>						
E B Creasy & Company PLC	10,000,000	230,000,000	19,194,750	10,000,000	201,000,000	19,194,750
The Colombo Fort Land & Building PLC	1,500,000	45,000,000	6,898,740	1,500,000	39,150,000	6,898,740
	<b>11,500,000</b>	<b>275,000,000</b>	<b>26,093,490</b>	<b>11,500,000</b>	<b>240,150,000</b>	<b>26,093,490</b>
<b>FOOD BEVERAGE &amp; TOBACCO</b>						
Agarapatana Plantations PLC	5,886,888	43,562,971	49,950,794	-	-	-
	<b>5,886,888</b>	<b>43,562,971</b>	<b>49,950,794</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total listed shares</b>	<b>21,815,349</b>	<b>509,036,460</b>	<b>295,861,451</b>	<b>12,690,028</b>	<b>254,407,983</b>	<b>38,257,649</b>
<b>Unlisted shares</b>						
Agarapatana Plantations Limited	-	-	-	3,888,888	36,191,884	35,000,000
Colombo Fort Hotels Limited	19,014,348	207,474,421	425,358,700	19,014,348	179,419,272	425,358,700
Consolidated Tea Plantations Limited	5,000,000	270,000,000	270,000,000	-	-	-
	<b>24,014,348</b>	<b>477,474,421</b>	<b>695,358,700</b>	<b>22,903,236</b>	<b>215,611,156</b>	<b>460,358,700</b>
<b>Financial assets at fair value through other comprehensive income</b>	<b>45,829,697</b>	<b>986,510,881</b>	<b>991,220,151</b>	<b>35,593,264</b>	<b>470,019,139</b>	<b>498,616,349</b>

## Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

### 12. Deferred income tax (liabilities) / assets

#### (a) Deferred income tax assets

	Group		Company	
	2024	2023	2024	2023
At beginning of the year	-	(75,879)	-	-
Income statement release / (charge)	-	75,879	-	-
At end of the year	-	-	-	-

According to the Group/Company policy, deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which they can be used.

#### (b) Deferred income tax liabilities

	Group		Company	
	2024	2023	2024	2023
At beginning of the year	11,259,660	9,855,461	11,259,660	9,855,461
Income statement charge / (release)	(1,290,473)	1,404,199	(1,290,473)	1,404,199
<b>At end of the year</b>	<b>9,969,187</b>	<b>11,259,660</b>	<b>9,969,187</b>	<b>11,259,660</b>
Net deferred tax liability	(9,969,187)	(11,259,660)	(9,969,187)	(11,259,660)

#### (c) Deferred Tax Composition

	Group			
	Net deferred tax assets		Net deferred tax liabilities	
	2024	2023	2024	2023
<b>Composition of deferred tax assets</b>				
Defined benefit obligations	2,805,765	2,389,077	-	-
Unclaimed right of use asset rental	11,030,733	15,758,191	-	-
Tax losses carried forward	76,606,520	88,642,165	-	-
<b>Total deferred tax assets before offsetting</b>	<b>90,443,018</b>	<b>106,789,433</b>	-	-
Offsetting deferred tax liability on:				
Property, plant & equipment	(20,128,479)	(20,735,988)	(9,969,187)	(11,259,660)
Lease liability	(18,842,563)	(18,327,161)	-	-
Revaluation surplus	(51,471,976)	(67,726,284)	-	-
<b>Total Deferred tax liabilities before offsetting</b>	<b>(90,443,018)</b>	<b>(106,789,433)</b>	<b>(9,969,187)</b>	<b>(11,259,660)</b>
<b>Deferred tax assets/(liabilities) after offsetting</b>	<b>-</b>	<b>-</b>	<b>(9,969,187)</b>	<b>(11,259,660)</b>



	Company			
	Net deferred tax assets		Net deferred tax liabilities	
	2024	2023	2024	2023
<b>Composition of deferred tax</b>				
Property, plant & equipment	-	-	(9,969,187)	(11,259,660)
<b>Deferred tax assets/(liabilities)</b>	<b>-</b>	<b>-</b>	<b>(9,969,187)</b>	<b>(11,259,660)</b>

Deferred income tax assets and liabilities of the Group are offset when there is a legally enforceable right to set off current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statements of financial position.

Colonial Motors Ceylon Ltd has not recognized deferred tax asset amounting Rs. 121,462,966/-, arising from carried forward tax losses as at 31st March 2024, due to the company being unable to assess with reasonable certainty that taxable profit would be available to recover the asset in the foreseeable future.

### 13. Inventories

The amounts attributable to the different categories are as follows:

	Group		Company	
	2024	2023	2024	2023
Spares and consumables	139,332,593	151,972,215	-	-
Repair job-in-progress	2,091,814	51,734	-	-
Goods-in-transit	7,160,812	-	-	-
	<b>148,585,219</b>	<b>152,023,949</b>	<b>-</b>	<b>-</b>

### 14. Trade and other receivables

	Group		Company	
	2024	2023	2024	2023
Trade receivables	34,410,625	28,872,860	-	-
Provision for impairment of debtors	(13,258,653)	(10,838,461)	-	-
<b>Trade receivables - net</b>	<b>21,151,972</b>	<b>18,034,399</b>	<b>-</b>	<b>-</b>
Amounts due from related parties (note 32 (b))	147,916,587	549,279,292	191,073,358	601,887,884
Prepayments	3,628,955	4,060,302	1,831,855	1,829,989
Other receivables	4,389,750	10,624,467	1,101,474	1,231,228
	<b>177,087,264</b>	<b>581,998,460</b>	<b>194,006,687</b>	<b>604,949,101</b>

## Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

### (i) Classification as trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The group holds the trade receivables with the objective of collecting the contractual cash flow and therefore measures them subsequently at amortised cost using the effective interest method.

### (ii) Fair values of trade receivables

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

### (iii) Impairment and risk exposure

Information about the impairment of trade receivable and the group's exposure to credit risk can be found in note 3.4.

## 15. Cash and cash equivalents

Cash and cash equivalents wholly consist of cash held in local banks and cash in hand.

	Group		Company	
	2024	2023	2024	2023
Cash in hand	488,690	2,087,703	-	-
Cash at bank	18,965,189	31,460,530	7,581,548	14,394,512
Fixed deposits	-	12,105,084	-	12,105,084
	<b>19,453,879</b>	<b>45,653,317</b>	<b>7,581,548</b>	<b>26,499,596</b>

Fixed deposits have a maturity period of less than 3 months.

For the purposes of the cash flow statement, the year-end cash and cash equivalents comprise the following:

	Group		Company	
	2024	2023	2024	2023
Cash and bank balances	19,453,879	45,653,317	7,581,548	26,499,596
Bank overdraft (note 19)	(116,186,286)	(104,645,542)	-	-
	<b>(96,732,407)</b>	<b>(58,992,225)</b>	<b>7,581,548</b>	<b>26,499,596</b>

## 16. Stated capital

	Number of shares	Stated capital
At 31 March 2024 / 2023	15,200,000	288,386,885

The authorised number of shares in the Company is 15,200,000. They entitle the holder to participate in dividends and to share in the proceeds of winding up the Company in proportion to the number of and amounts paid on the shares held.

## 17. Retained earnings & other Reserves

### (a) Revaluation reserve

	Group		Company	
	2024	2023	2024	2023
At beginning of the year	171,573,253	171,573,253	-	-
<b>At end of the year</b>	<b>171,573,253</b>	<b>171,573,253</b>	<b>-</b>	<b>-</b>

### (b) Fair value reserve

	Group		Company	
	2024	2023	2024	2023
At beginning of the year	669,644,090	513,795,340	157,098,021	128,813,010
Other Comprehensive Income	95,689,762	182,372,046	23,887,940	28,285,011
Transfer to retained earnings	(40,012)	(26,523,296)	-	-
<b>At end of the year</b>	<b>765,293,840</b>	<b>669,644,090</b>	<b>180,985,961</b>	<b>157,098,021</b>

### (c) Retained earnings

	Group		Company	
	2024	2023	2024	2023
At beginning of the year	2,230,919,825	2,223,504,674	1,718,677,254	1,626,169,374
Profit for the year	208,052,490	49,744,030	177,173,481	161,747,112
Remeasurement of post employment benefits	(686,640)	387,057	-	-
Dividend to equity holders	(76,000,000)	(76,000,000)	(76,000,000)	(76,000,000)
Reclassification of gain on disposal of equity instruments at fair value through other comprehensive income	40,012	26,523,296	-	-
Reversal of unclaimed dividends	3,457,644	6,760,768	3,457,644	6,760,768
<b>At end of the year</b>	<b>2,365,783,331</b>	<b>2,230,919,825</b>	<b>1,823,308,379</b>	<b>1,718,677,254</b>

### (d) Other reserve

	Group		Company	
	2024	2023	2024	2023
Revaluation reserve (note 17 (a))	171,573,253	171,573,253	-	-
Fair value reserve ( note 17 (b))	765,293,840	669,644,090	180,985,961	157,098,021
<b>At end of the year</b>	<b>936,867,093</b>	<b>841,217,343</b>	<b>180,985,961</b>	<b>157,098,021</b>

### (i) Nature and purpose of other reserves

#### **Revaluation surplus – property, plant and equipment**

The property, plant and equipment revaluation surplus is used to record increments and decrements on the revaluation of non-current assets. In the event of a sale of an asset, any balance in the reserve in relation to the asset is transferred to retained earnings, see accounting policy note 2.14 for details.

# Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

## Financial assets at FVOCI

The Group/ Company has elected to recognise changes in the fair value of certain investments in equity securities in OCI, as explained in note 11(d). These changes are accumulated within the FVOCI reserve within equity. The Group/ Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

## 18. Trade and other payables

	Group		Company	
	2024	2023	2024	2023
Trade payables	11,489,077	11,267,042	-	-
Amounts due to related parties (note 32(b))	5,689,582	4,968,083	-	-
Other payables	35,782,393	45,337,640	34,209,382	42,974,554
Contract liabilities	7,727,288	5,761,776	-	-
Accrued expenses and provisions	197,818,732	82,189,243	-	-
	258,507,072	149,523,784	34,209,382	42,974,554
Less: Non-current portion	(2,220,850)	(9,795,882)	(2,220,850)	(9,795,882)
<b>Current Portion</b>	<b>256,286,222</b>	<b>139,727,902</b>	<b>31,988,532</b>	<b>33,178,672</b>

Trade and other payables consist of advances received from customers amounting to Rs. 6,463,788 (2023 - Rs. 13,521,749) for the Group and Company.

(i) Fair values of trade payables

Due to the short-term nature of the current payables, their carrying amount is considered to be the same as their fair value.

## 19. Borrowings

	Group		Company	
	2024	2023	2024	2023
Current				
Bank overdrafts (note 15)	116,186,286	104,645,542	-	-
Bank borrowings	622,476,983	639,063,684	-	-
	<b>738,663,269</b>	<b>743,709,226</b>	-	-
Non-current				
Bank borrowings	36,594,513	39,837,960	-	-
	36,594,513	39,837,960	-	-
<b>Total borrowings</b>	<b>775,257,782</b>	<b>783,547,186</b>	-	-

The carrying amounts of the Group's and Company's borrowings is denominated in Sri Lanka Rupees.

Details of assets pledged as securities by each subsidiary are as follows :

#### COLONIAL MOTORS (CEYLON) LIMITED

Institution and Facility	Loan Capital	Amount Outstanding	Interest Rate	Security Offered
<b>Commercial Bank of Ceylon PLC</b>				
Short Term Loan	103,000,000	55,354,476	AWPLR + 3% p.a	(i)
Long Term Loan				
- Diribala - 1903944	20,000,000	3,550,856	15% p.a	
- Diribala - 1851271	26,000,000	2,904,804	15% p.a	
- EIB - 1859449	65,000,000	20,135,000	15% p.a	
<b>Hatton National Bank PLC</b>				
Short Term Loan	160,000,000	175,012,441	AWPLR + 1.25% p.a	Demand Promissory Note for Rs.245 Mn
Long Term Loan	45,000,000	29,250,000	AWPLR + 2% p.a	
<b>Sampath Bank PLC</b>				
Short Term Loan	300,000,000	4,077,648	AWPLR + 2% p.a	-
Long Term Loan	133,000,000	116,376,271	AWPLR + 1% p.a	
<b>National Development Bank PLC</b>				
Short Term Loan	10,000,000	2,500,000	15% p.a	Primary Mortgage over stocks and book debts
Term Loan 01	146,875,000	137,875,000	12% p.a	
Term Loan 02	85,125,000	82,125,000	9% p.a	
Term Loan 03	29,910,000	29,910,000	9% p.a	-
		659,071,496		

(i) Facilities obtained by Commercial Bank of Ceylon PLC for Short Term Loans and Long Term Loans are securitised against the following;

Floating Primary Mortgage Bond No.3639 - No.41/35,Nagahamulla Road,Thalangama South and more fully depicted as Lot A in plan No.1706A dated 30.09.2004 drawn by Mr. M A H Bandara (L/S) in extent of 133.0 Perches owned by M/s.Colonial Motors (Ceylon) Limited.

Floating Primary Mortgage Bond No.CTY/VM/14/05 dated 25/02/2015 for Rs.66.0 Mn. obtained over the Stocks of "Mazda" brand Vehicles and spare parts (Mazda/Tata/Land Rover) and/or other movable assets.

Floating Secondary Mortgage Bond No.CTY/15/04 dated 20.08.2015 for LKR.20.0 Mn over stocks obtained.

## Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

### 19. Borrowings (Contd)

The maturity analysis based on the remaining period at the statement of financial position date to the contractual maturity date is given below

Group	As at	
	31 March 2024	31 March 2023
Less than 3 months	116,186,286	104,645,542
Between 3 months and 1 year	622,476,983	639,063,684
Between year 1 and year 2	36,594,513	39,837,960
	<b>775,257,782</b>	<b>783,547,186</b>

### 20. Defined benefit obligations

The amount recognised in the Statement of financial position has been valued according to the following methods:

	Group		Company	
	2024	2023	2024	2023
Present value of the unfunded obligations	9,352,549	7,963,588	-	-
<b>Liability in the statement of financial position date</b>	<b>9,352,549</b>	<b>7,963,588</b>	-	-
<b>Balance sheet obligations for:</b>				
Defined benefits (gratuity)	9,352,549	7,963,588	-	-
<b>Income statement charge / (release)</b>				
Defined benefits (gratuity)	2,164,071	2,170,371	-	-
<b>Remeasurements for:</b>				
Defined benefits (gratuity)	686,640	(387,057)	-	-

The income statement charge included within operating profit includes current service cost and interest expense. The defined benefit plan of each subsidiary of the Group is unfunded, where each subsidiary meets the benefit payment obligation as it falls due. Accordingly, the liability in the Statement of Financial Position represents the present value of unfunded obligations.

Amounts recognised in the Statement of Financial Position are as follows:

	Group		Company	
	2024	2023	2024	2023
At beginning of the year	7,963,588	7,291,524	-	-
Interest expense	1,035,266	1,003,727	-	-
Current service cost	1,128,805	1,166,644	-	-
Benefits paid	(1,461,750)	(1,111,250)	-	-
Actuarial (gains) / losses	686,640	(387,057)	-	-
<b>At end of the year</b>	<b>9,352,549</b>	<b>7,963,588</b>	-	-

Amounts recognised in the profit or loss are as follows:

	Group		Company	
	2024	2023	2024	2023
Interest expense	1,035,266	1,003,727	-	-
Current service cost	1,128,805	1,166,644	-	-
	<b>2,164,071</b>	<b>2,170,371</b>	-	-
Remeasurements	686,640	(387,057)	-	-
	<b>686,640</b>	<b>(387,057)</b>	-	-

Defined benefit obligation of Colonial Motors (Ceylon) Limited is determined through an actuarial valuation carried out internally for the year ended 31 March 2024.

The below sensitivity analysis is based on a change in an assumption while holding all other constant although in practice it is unlikely to occur and changes in assumptions could be correlated. The same method has been applied when calculating the defined benefit obligation to significant actuarial assumptions. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(all amounts in Sri Lanka Rupees unless otherwise stated)

The Principal Assumptions used are as follows:

	Staff Turnover rate	Salary Escalation rate for future years	Discount rate
31 March 2024	26%	8%	13%
31 March 2023	20%	8%	16%

A quantitative sensitivity analysis for significant assumptions as at 31 March is shown below

Impact on Present Value of Defined Benefit Obligation	Salary Escalation Rate		Discount Rate		Staff Turnover Rate	
	1% Increase	1% Decrease	1% Increase	1% Decrease	1% Increase	1% Decrease
31 March 2024	301,883	(292,226)	(277,081)	290,931	158,803	(195,670)
31 March 2023	290,432	(281,123)	(179,672)	198,915	40,877	(36,984)

## Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

### 20. Defined benefit obligations (Contd)

Maturity profile of the defined benefit obligation is as follows:

	Group	
	2024	2023
Between 1-2 years	5,991,340	-
Between 2-5 years	1,446,323	7,101,083
Over 5 years	7,198,408	7,461,563
	<b>14,636,071</b>	<b>14,562,646</b>

### Risk exposure

Through its defined benefit pension plans, the group is exposed to a number of risks, the most significant of which are detailed below:

Changes in bond yields	A decrease in corporate bond yields will increase plan liabilities.
Inflation risks	Some of the group's pension obligations are linked to salary inflation, and higher inflation will lead to higher liabilities.
Life expectancy	The majority of the plans' obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities.

### 21. Revenue

Revenue of the Group consists of revenue earned from the sale of spare parts, repairing and servicing motor vehicles, sale of motor vehicles and income earned from renting out of property as follows:

	Group		Company	
	2024	2023	2024	2023
Rent income	82,996,899	62,888,548	82,996,899	62,888,548
Sale of spares and repair work	222,688,903	213,498,747	-	-
Sale of motor vehicles	-	42,869	-	-
	<b>305,685,802</b>	<b>276,430,164</b>	<b>82,996,899</b>	<b>62,888,548</b>

### 22. Other income

	Group		Company	
	2024	2023	2024	2023
Dividend income				
- Subsidiaries	-	-	50,000,000	60,000,000
- Financial assets at fair value through profit or loss	30,631,150	40,369,748	3,083,107	3,266,900
- Financial assets at FVOCI	82,728,969	27,584,278	41,757,993	10,000,000
Sundry Income	1,407,150	3,703,646	717,793	397,996
Profit on sale of property, plant and equipment	56,189	-	-	-
Profit on equity trading	7,866,819	619,876	67,074	4,450
	<b>122,690,277</b>	<b>72,277,548</b>	<b>95,625,967</b>	<b>73,669,346</b>



### 23. Other gains

	Group		Company	
	2024	2023	2024	2023
Net fair value gains on financial assets at fair value through profit or loss	165,077,344	8,087,885	12,915,644	1,019,131
Exchange gain / (losses) - net	922	422,140	-	-
	<b>165,078,266</b>	<b>8,510,025</b>	<b>12,915,644</b>	<b>1,019,131</b>

### 24. Expenses by nature

	Group		Company	
	2024	2023	2024	2023
Cost of purchases	98,749,794	102,712,422	-	-
Directors' emoluments (Note 32(c))	4,515,000	7,256,700	4,267,500	4,286,700
Auditor's remuneration	2,182,574	2,590,975	1,483,610	1,670,116
Fees for other professional services	10,862,573	10,612,069	9,906,910	9,838,701
Staff costs (Note 25)	64,354,237	58,310,847	-	-
Depreciation of				
- Property, plant, and equipment (note 6)	9,910,656	10,444,646	378,611	417,682
- Investment property (note 7)	6,660,167	6,583,014	6,660,167	6,583,014
- Right of use asset (note 9)	15,758,194	15,758,190	-	-
Repairs and maintenance expenditure				
- Investment property	4,704,979	4,568,244	4,704,979	4,568,244
- Property, plant, and equipment	13,488,856	9,289,501	-	-
Travelling and transportation expenses	2,565,070	2,136,442	58,352	76,170
Agency costs, commission and Incentives	46,000	63,000	-	-
Sales & promotional expenses	876,046	320,561	-	-
Utilities	7,116,627	4,770,480	1,229,809	791,206
Business running expenses	14,250,711	14,416,175	7,637,820	7,738,000
Non - refundable government taxes	4,536,491	2,680,601	2,234,232	1,847,538
Donations	4,000	30,250	-	-
Stock write off	-	1,114,817	-	-
Other expenses	8,489,478	7,419,233	2,040,580	1,029,299
<b>Total costs of sales, distribution costs, and administrative expenses</b>	<b>269,071,453</b>	<b>261,078,167</b>	<b>40,602,570</b>	<b>38,846,670</b>

## Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

### 25. Staff costs

	Group		Company	
	2024	2023	2024	2023
Wages, salaries, and related costs				
- to administrative expenses	54,432,744	48,605,232	-	-
Defined contribution plans	7,757,422	7,535,244	-	-
Defined benefit plans (note 20)	2,164,071	2,170,371	-	-
	<b>64,354,237</b>	<b>58,310,847</b>	-	-

Permanent Employees - 69

Total Employees - 69

### 26. Finance costs - net

	Group		Company	
	2024	2023	2024	2023
Interest income from loans to related parties	58,549,126	109,926,355	59,295,771	112,264,220
Other interest income	1,625,019	4,797,509	1,625,019	4,791,134
<b>Finance income</b>	<b>60,174,145</b>	<b>114,723,864</b>	<b>60,920,790</b>	<b>117,055,354</b>
<b>Interest expenses on:</b>				
- Bank Overdraft	(20,679,235)	(25,718,186)	-	-
- Other loans	(113,658,670)	(68,426,857)	-	-
- Other interest expenses	-	(1,401,038)	-	-
- Finance leases	(4,798,007)	(5,564,380)	-	-
<b>Finance costs</b>	<b>(139,135,912)</b>	<b>(101,110,461)</b>	-	-
<b>Finance (costs) / income - net</b>	<b>(78,961,767)</b>	<b>13,613,403</b>	<b>60,920,790</b>	<b>117,055,354</b>

### 27. Income tax expense

	Group		Company	
	2024	2023	2024	2023
Current income tax	38,191,782	49,140,379	38,191,781	45,101,699
Deferred income tax charge	(1,290,473)	1,328,320	(1,290,473)	1,404,199
Under / (over) provision for tax in previous years	(2,218,059)	7,532,699	(2,218,059)	7,532,699
<b>Total current tax</b>	<b>34,683,250</b>	<b>58,001,398</b>	<b>34,683,249</b>	<b>54,038,597</b>

The tax on the profit before tax differs from the theoretical amount that would arise using the basic tax rate applicable to the Group and Company as follows:

	Group		Company	
	2024	2023	2024	2023
Profit before tax	243,000,933	107,749,078	211,856,730	215,785,709
Tax calculated at a tax rate of 24%	-	7,986,977	-	20,710,409
Tax calculated at a tax rate of 30%	72,900,280	4,943,412	63,557,019	38,847,702
Tax calculated at a tax rate of 14%	-	4,065,056	-	-
Tax calculated at a tax rate of 15%	-	4,343,377	-	-
Tax impact of allowable items/income not subject to tax	(95,064,106)	(51,212,035)	(33,113,972)	(52,257,742)
Aggregate dis-allowable items	18,643,496	82,280,777	7,748,734	37,801,330
tax losses adjusted	41,712,112	(3,267,185)	-	-
Net adjustment of deferred tax	(1,290,473)	1,328,320	(1,290,473)	1,404,199
Under / (over) provision for tax in the previous year	(2,218,059)	7,532,699	(2,218,059)	7,532,699
	<b>34,683,250</b>	<b>58,001,398</b>	<b>34,683,249</b>	<b>54,038,597</b>

In accordance with the provisions of the Inland Revenue Act No. 24 of 2017 and subsequent amendments there to the Company was liable of Income tax at 30% and Dividend Income received after 01st January 2023, from a resident company was subject to a final withholding payment of 15% which is considered as a final tax. In the previous year the Company was liable to Income Tax at 24% and Dividend Income received from a resident company was liable to Income tax at 14% up to 30th September 2022 as per Inland Revenue (Amendment) Act No. 45 of 2022, from 01st October 2022 the Company was liable to Income Tax at 30% and Dividend at 15%

## 28. Earnings per share

	Group		Company	
	2024	2023	2024	2023
Profit attributable to owners of the parent	208,052,490	49,744,030	177,173,481	161,747,112
Weighted average number of ordinary shares in issue	15,200,000	15,200,000	15,200,000	15,200,000
Basic earnings per share	13.69	3.27	11.66	10.64

The diluted earnings per share is same as the basic earnings per share.

## 29. Dividends

The Board of Directors of the Company, resolved on 27 February, 2024 to propose a cash dividend of Rs. 5.00 per share (2023 - Rs. 5.00) amounting to Rs. 76,000,000 and the dividend was paid on 28 March 2024.

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(all amounts in Sri Lanka Rupees unless otherwise stated)

### 30. Cash generated from operations

Reconciliation of profit before tax to cash generated from operations.

	Group		Company	
	2024	2023	2024	2023
Profit before tax	243,000,933	107,749,078	211,856,730	215,785,709
Depreciation of property, plant and equipment (note 6)	9,910,656	10,444,646	378,611	417,682
Depreciation of investment property ( note 7)	6,660,167	6,583,014	6,660,167	6,583,014
Depreciation of right of use assets (note 9)	15,758,194	15,758,190	-	-
Dividend income (note 22)	(113,360,119)	(67,954,026)	(94,841,100)	(73,266,900)
Interest (income) / expense (note 26)	78,961,767	(13,613,403)	(60,920,790)	(117,055,354)
Profit on sale of investments ( note 22)	(7,866,819)	(619,876)	(67,074)	(4,450)
Profit on sale of property, plant and equipment (note 22)	(56,189)	-	-	-
Net impairment losses on financial assets (note 3.4)	2,420,192	2,003,895	-	-
Defined benefit obligations (note 20)	2,164,071	2,170,371	-	-
Changes in fair value of financial assets at FVPL (note 23)	(165,077,344)	(8,087,885)	(12,915,644)	(1,019,131)
<b>Changes in working capital</b>				
- trade and other receivables	353,420,664	(75,113,779)	402,693,160	(88,912,009)
- inventories	3,438,730	33,443,654	-	-
- trade and other payables	112,440,921	14,180,441	(5,307,527)	(4,238,660)
<b>Cash generated from / (used in) operations</b>	<b>541,815,824</b>	<b>26,944,320</b>	<b>447,536,533</b>	<b>(61,710,099)</b>

### 31. Net assets value per share

	Group		Company	
	2024	2023	2024	2023
Stated capital	288,386,885	288,386,885	288,386,885	288,386,885
Reserves	3,302,650,424	3,072,137,168	2,004,294,340	1,875,775,275
Net assets	3,591,037,309	3,360,524,053	2,292,681,225	2,164,162,160
Number of shares	15,200,000	15,200,000	15,200,000	15,200,000
<b>Net assets per share</b>	<b>236.25</b>	<b>221.09</b>	<b>150.83</b>	<b>142.38</b>

## 32. Related parties

The Group is controlled by The Colombo Fort Land & Building PLC which owns 63% of the Company's shares. The remaining 37% of shares are widely held. The Colombo Fort Land & Building PLC is also the ultimate parent of the Group.

### (a) Common directorships

The Directors of the Company are also Directors of the following companies with which the Group and/ or Company had business transactions in the ordinary course of business:

	Mr. A. Rajaratnam (Deceased 26.08.2023)	Mr S Rajaratnam	Mr SDR Arudpragasam	Dr J M Swaminathan	Mr A M de S Jayaratne	Mr. Anushman Rajaratnam	Mr. R M M J Ratnayake
C M Holdings PLC	x	x	x	x	x	x	x
Union Investments (Private) Limited	x	x	x	x	x	x	x
Colonial Motors (Ceylon) Limited	-	x	x	x	x	x	x
The Colombo Fort Land & Building PLC	x	x	x	-	x	x	-
Colombo Fort Hotels Limited	-	x	x	-	-	x	-
Lankem Ceylon PLC	-	-	x	-	-	x	-
Colombo Fort Group Services (Private) Limited	-	-	x	-	-	x	-
Colombo Fort Properties (Private) Limited	x	-	-	-	-	x	-
Lankem Developments PLC	-	-	x	-	x	x	-
Agarapatana Plantations PLC	-	-	x	-	x	x	-
C W Mackie PLC	-	x	x	-	x	x	-
Darley Butler & Company Limited	-	x	x	-	x	-	-
Beruwala Resorts PLC	-	x	x	-	-	x	-
E B Creasy & Company PLC	x	x	x	-	x	-	-
Kotagala Plantations PLC	-	-	x	-	x	x	-
Sigiriya Village Hotels PLC	-	x	x	-	-	x	-
Union Commodities (Private) Limited	-	-	x	-	x	x	-
Marawila Resorts PLC	-	x	x	-	-	x	-
Laxapana PLC (formerly Laxapana Batteries PLC)	-	x	x	-	-	-	-
Consolidated Tea Plantations Limited	x	-	x	-	x	x	-

\*Mr. A. Rajaratnam, Director expired on 26.08.2023.

## Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

### 32. Related parties (Contd)

#### (b) Year - end balances arising in the ordinary course of business

Amounts due from related parties		Group		Company	
		2024	2023	2024	2023
The Colombo Fort Land & Building PLC	Parent	7,961,913	193,476,324	7,961,913	193,476,324
Union Investments (Private) Limited	Subsidiary	-	-	40,000,000	53,000,000
Union Commodities (Private) Limited	Sub - CFLB	128,934,269	344,796,693	128,861,587	344,250,761
Colonial Motors (Ceylon) Limited	Subsidiary	-	-	6,654,330	4,487,685
Agarapatana Plantations PLC	Sub - CFLB	2,046,285	1,518,548	-	-
Beruwala Resorts PLC	Sub - CFLB	-	55,775	-	-
E B Creasy & Company PLC	Sub - CFLB	140,683	20,711	-	-
Kotagala Plantations PLC	Sub - CFLB	692,870	932,012	-	-
C W Mackie PLC	Sub - CFLB	256,845	351,433	-	-
Lankem Ceylon PLC	Sub - CFLB	7,883,722	8,127,796	7,595,528	6,673,114
		<b>147,916,587</b>	<b>549,279,292</b>	<b>191,073,358</b>	<b>601,887,884</b>

Amounts due from related parties constituted receivables from:

- » Union Commodities (Private) Limited due to C M Holdings PLC amounting to Rs. 285,500,000/- on which interest was charged at AWPLR+2% per annum and out of which Rs. 270,000,000/- was settled during the year.
- » The Colombo Fort Land & Building PLC due to C M Holdings PLC amounting to Rs. 172,500,000/- on which interest was charged at AWPLR+2% per annum and out of which Rs. 168,000,000/- was settled during the year.
- » Lankem Ceylon PLC due to C M Holdings PLC amounting to Rs. 5,000,000/- on which interest is charged at AWPLR+2% per annum.
- » Colonial Motors (Ceylon) Limited due to C M Holdings PLC amounting Rs. 5,320,000/- on which interest is charged at AWPLR+2% per annum

Amounts due to related parties		Group		Company	
		2024	2023	2024	2023
Colombo Fort Group Services (Private) Limited	Affiliate - CFLB	5,689,582	4,968,083	-	-
		<b>5,689,582</b>	<b>4,968,083</b>	<b>-</b>	<b>-</b>

Transactions with related parties are carried out in the ordinary course of business on an arm's length basis. Related party balances at the year end are unsecured and repayable on demand.

Service income charged from the related parties are on par with market rates that are charged to external customers for similar services.

#### (c) Key management compensation

Key management includes the Board of Directors (executive and non - executive) of the Company. The compensation paid or payable to key management for employee service is shown below:

	Group		Company	
	2024	2023	2024	2023
Salaries and short term employee benefits	4,515,000	7,256,700	4,267,500	4,286,700
	<b>4,515,000</b>	<b>7,256,700</b>	<b>4,267,500</b>	<b>4,286,700</b>

### 32. Related parties (Contd)

(d) The details of transactions carried out by the Group with related parties are as stated below

Group	Relationship	Repair services supplied / (received)		Dividends (paid) / received		Fees (paid) / received		Interest (paid) / received		Loans received / (given)		Investment (in) / transfer of shares	
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Lankem Ceylon PLC	Sub - CFLB	21,833,541	6,230,922	30,776,289	(1,657,735)	-	-	922,414	1,247,745	-	-	(204,541,360)	-
The Colombo Fort Land & Building PLC	Parent	-	-	(46,799,167)	(48,249,250)	-	-	13,015,885	39,927,846	(52,500,000)	-	-	-
Colombo Fort Hotels Limited	Sub - CFLB	-	-	-	-	-	-	-	-	-	-	-	(56,443,155)
Agarapatana Plantations Limited	Sub - CFLB	8,464,151	8,701,611	-	-	-	-	-	-	-	-	(42,922,962)	(35,000,000)
Lankem Developments PLC	Sub - CFLB	-	-	-	-	-	-	-	-	-	-	-	-
C W Mackie PLC	Sub - CFLB	1,012,095	836,726	10,303,020	10,101,000	-	-	-	-	-	-	-	-
Darley Butler & Company Limited	Sub - CFLB	-	-	-	-	-	-	-	-	-	-	-	-
Beruwala Resorts PLC	Sub - CFLB	-	125,575	-	-	-	-	-	-	-	-	(18,000)	-
E B Creasy & Company PLC	Sub - CFLB	1,100,716	898,171	39,687,600	26,777,200	-	-	-	-	-	-	-	-
Kotagala Plantations PLC	Sub - CFLB	4,511,341	3,805,195	-	-	-	-	-	-	-	-	-	-
Sigiriya Village Hotels PLC	Sub - CFLB	-	-	-	-	-	-	-	-	-	-	-	53,160,000
Colombo Fort Group Services (Pvt) Limited	Affiliate - CFLB	-	-	-	-	(903,216)	(1,293,942)	-	-	-	-	-	-
Marawila Resorts PLC	Sub - CFLB	-	-	-	-	-	-	-	-	-	-	(7,972,110)	-
Colombo Fort Properties (Pvt) Limited	Sub - CFLB	-	-	-	-	(3,450,000)	(3,300,000)	-	-	-	-	-	-
Union Commodities (Private) Limited	Sub - CFLB	117,618	2,486,301	-	-	-	-	44,610,826	68,750,761	(10,000,000)	(35,000,000)	-	-
Laxapana PLC	Sub - CFLB	-	-	900	1,200	-	-	-	-	-	-	-	-
Consolidated Tea Plantations Limited	Sub - CFLB	-	-	-	-	-	-	-	-	-	-	(270,000,000)	-
		37,039,462	23,084,501	33,968,642	(13,027,585)	(4,353,216)	(4,593,942)	58,549,126	109,926,352	(62,500,000)	(35,000,000)	(525,454,432)	(38,283,155)

# Notes to the Financial Statements

(all amounts in Sri Lanka Rupees unless otherwise stated)

## 32. Related parties (Contd)

(d) The details of transactions carried out by the Company with related parties are as stated below

Company	Relationship	Repair services supplied / (received)		Dividends (paid) / received		Fees (paid) / received		Interest (paid) / received		Loans received / (given)		Investment (in) / transfer of shares	
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Guardian Asset Management Limited	Subsidiary	-	-	(925)	(925)	-	-	-	-	-	-	-	-
Beruwala Resorts PLC	Sub - CFLB	-	-	-	-	-	-	-	-	-	-	(18,000)	-
Lankem Ceylon PLC	Sub - CFLB	-	-	24,725,258	(1,657,735)	-	-	922,414	1,247,745	-	-	(204,541,360)	-
The Colombo Fort Land & Building PLC	Parent	-	-	(47,874,250)	(48,249,250)	-	-	13,015,886	39,927,845	(52,500,000)	-	-	-
E B Greasy & Company PLC	Sub - CFLB	-	-	14,521,800	10,000,000	-	-	-	-	-	-	-	-
Marawila Resorts PLC	Sub - CFLB	-	-	-	-	-	-	-	-	-	-	(1,333,333)	-
Union Investments(Pvt) Limited	Subsidiary	-	-	50,000,000	60,000,000	-	-	-	1,750,182	-	-	-	-
Colombo Fort Group Services (Pvt) Limited	Affiliate - CFLB	-	-	-	-	(81,400)	(69,575)	-	-	-	-	-	-
Colombo Fort Properties (Pvt) Limited	Sub - CFLB	-	-	-	-	(3,450,000)	(3,300,000)	-	-	-	-	-	-
Union Commodities (Pvt) Limited	Sub - CFLB	-	-	-	-	-	-	44,610,826	68,750,761	(10,000,000)	-	-	-
Colonial Motors Ceylon Ltd	Subsidiary	-	-	-	-	-	-	746,645	587,685	(1,420,000)	(3,900,000)	-	-
Agarapatana Plantations Limited	Sub - CFLB	-	-	-	-	-	-	-	-	-	-	(14,950,794)	(35,000,000)
Consolidated Tea Plantations Limited	Sub - CFLB	-	-	-	-	-	-	-	-	-	-	(270,000,000)	-
		-	-	41,371,883	20,092,090	(3,531,400)	(3,369,575)	59,295,771	112,264,218	(63,920,000)	(3,900,000)	(490,843,486)	(35,000,000)



### (e) Non-Recurrent Related Party Transactions

Non-Recurrent related party transactions and where the aggregate value of the transactions exceeded the respective thresholds mentioned in the Rule 9.14.7 of the Listing Rules of the Colombo Stock Exchange is given below,

Name of the Related Party	Relationship	Value of the Related Party Transactions entered into during the financial year	Value of Related Party Transactions as a % of Equity and as a % of Total Assets			Terms and Conditions of the Related Party Transaction	The rationale for entering into the transactions
			Equity	Total Assets	Equity & the Total Assets thresholds were derived based on the below Audited Financial Year reports published at the time of the transaction		
The Colombo Fort Land & Building PLC	Parent	202,781,047	6.3%	4.8%	2021/2022	Purchase of Shares from The Colombo Fort Land and Building PLC	The Company decided to invest excess cash in reserve to expand its share portfolio
The Colombo Fort Land & Building PLC	Parent	52,500,000	1.6%	1.2%	2022/2023	Loan granted to The Colombo Fort Land and Building PLC as an Interest bearing Loan at AWPLR+2%	Granting of Loan to facilitate temporary working capital deficit of Parent Company
	<b>Aggregate</b>	<b>255,281,047</b>	<b>7.6%</b>	<b>5.8%</b>	<b>2022/2023</b>		
Consolidated Tea Plantations Limited	Affiliate	270,000,000	8.0%	6.1%	2022/2023	Investment by C M Holdings PLC in 5,000,000 Ordinary Shares at a price of Rs.54/- per share in Consolidated Tea Plantations Limited	Investment of additional cash by C M Holdings PLC to expand its investment portfolio for long-term value.

### 33. Events after the reporting period

C M Holdings PLC entered into an arrangement to advance Rs 48Mn against issue of shares by Colonial Motors (Ceylon) Limited to be capitalized on a future date. The advance will be remitted in instalments of Rs.2Mn per month over a period of 24 months.

### 34. Contingencies

#### Contingent liabilities

There were no contingent liabilities as at the end of the reporting period

### 35. Commitments

#### (a) Financial commitments

There were no material financial commitments outstanding as at the end of the reporting period

#### (b) Capital commitments

There were no material capital commitments outstanding as at the end of the reporting period

## Share Information

### Distribution of Shares

No. of Shares Held	As At 31st March 2024			As At 31st March 2023		
	No of Shareholders	Total Holding	Holding %	No of Shareholders	Total Holding	Holding %
1-1,000	749	138,563	0.91	742	138,198	0.91
1,001-10,000	199	694,488	4.57	208	720,935	4.74
10,001-100,000	77	2,349,959	15.46	82	2,563,730	16.86
100,001-1,000,000	11	2,367,140	15.57	9	2,127,287	14.00
Over 1,000,000	1	9,649,850	63.49	1	9,649,850	63.49
	<b>1,037</b>	<b>15,200,000</b>	<b>100.00</b>	<b>1,042</b>	<b>15,200,000</b>	<b>100.00</b>

### Analysis of Ordinary Shareholders

	As At 31st March 2024			As At 31st March 2023		
	No. of Shareholders	Total Holdings	%	No. of Shareholders	Total Holdings	%
Individuals	938	2,758,830	18.15	941	2,642,040	17.38
Institutions	99	12,441,170	81.85	101	12,557,960	82.62
	<b>1,037</b>	<b>15,200,000</b>	<b>100.00</b>	<b>1,042</b>	<b>15,200,000</b>	<b>100.00</b>

Market Prices of a Share for the year	31.03.2024	31.03.2023
Highest Rs.	95.00	95.00
Lowest Rs.	60.00	45.00
Market Value as at the year end Rs.	80.40	63.10

### Public Holding

The Percentage of Shares held by the Public as at 31.03.2024 was 28.89% (31.03.2023 - 28.89%).

### Public Shareholders

The Number of Public Shareholders as at 31.03.2024 were 1,021 (31.03.2023- 1026) .

The applicable option under Colombo Stock Exchange Rule 7.13.1(i)(a) on Minimum Public Holding is Option 5 and the Float Adjusted Market Capitalization as at 31.03.2024 was Rs.353,058,912/- (31.03.2023 -277,089,768/-).

## 20 Major Shareholders

Position	Name of Shareholders	31.03.2024		31.03.2023	
		No of Ord Vot. Shares	Percentage	No of Ord. Vot. Shares	Percentage
1	THE COLOMBO FORT LAND AND BUILDING PLC	9,649,850	63.49%	9,649,850	63.49%
2	SRI LANKA INSURANCE CORPORATION LTD-LIFE FUND	392,076	2.58%	392,076	2.58%
3	MRS AGNES.E DE VOS (DECD)	374,978	2.47%	374,978	2.47%
4	PAN ASIA BANKING CORPORATION PLC/LANKEM CEYLON PLC	331,547	2.18%	331,547	2.18%
5	COLOMBO INVESTMENT TRUST PLC	330,976	2.18%	330,976	2.18%
6	PEOPLE'S LEASING & FINANCE PLC/MR.H.M. ABDULHUSSEIN	183,481	1.21%	183,481	1.21%
7	PEOPLE'S LEASING & FINANCE PLC/DR.H.S.D.SOYSA & MRS.G.SOYSA	133,615	0.88%	133,615	0.88%
8	TRUST HOLDINGS & INVESTMENTS (PVT) LIMITED	132,142	0.87%	132,142	0.87%
9	COLOMBO FORT INVESTMENTS PLC	131,458	0.86%	131,458	0.86%
10	MISS RUKAIYA HUSSEINALLY ABDULHUSSEIN	119,951	0.79%	81521	0.54%
11	MR. YUSUF HUSSEINALLY ABDULHUSSEIN	119,902	0.79%	83603	0.55%
12	GLENFORD INVESTMENTS (PRIVATE) LIMITED	117,014	0.77%	117,014	0.77%
13	E.B. CREASY CEYLON (PRIVATE) LIMITED	95,640	0.63%	95,640	0.63%
14	DR. SENA YADDEHIGE	90,000	0.59%	90,000	0.59%
15	MR. JAWAHARLAL VIJAYA SRIKUMARADAS COREA	88,328	0.58%	88,328	0.58%
16	MR. SIDATH VIVENDRA KODIKARA	82,934	0.55%	82,934	0.55%
17	COMMERCIAL BANK OF CEYLON PLC/N.H. DAWOODBHOY AND COMPANY (PRIVATE) LIMITED	81,500	0.54%	60,000	0.39%
18	DR. NIRANJAN DEEPAL GUNAWARDENA	76,433	0.50%	76,433	0.50%
19	MR. WEERAHENNEDIGE SOHAN RAMINAL FERNANDO	75,565	0.50%	75,565	0.50%
20	YORK ARCADE HOLDINGS PLC	71,707	0.47%	71,707	0.47%
		<b>12,679,097</b>	<b>83.43%</b>	<b>12,582,868</b>	<b>82.79%</b>

## Five Year Summary-Group

	2023/2024	2022/2023	2021/2022	2020/2021	2019/2020
<b>ASSETS EMPLOYED</b>					
Property , plant and equipment	386,690,284	395,435,000	403,440,854	346,819,829	362,840,344
Capital work in progress	13,087,187	-	-	-	3,253,664
Investment property	1,051,275,711	1,057,935,878	1,061,377,259	1,067,880,344	1,068,249,773
Intangible assets	4,870,824	4,870,824	4,870,824	4,870,824	5,053,871
Right of use assets	36,769,114	52,527,308	68,285,498	84,043,688	102,009,409
Financial assets at FVOCI	1,783,987,974	1,163,446,347	943,561,135	1,219,401,983	535,256,609
Deferred income tax assets	-	-	-	17,392,690	27,207,526
Current assets	1,452,505,714	1,734,114,397	1,755,241,454	1,628,880,479	1,358,806,494
Liabilities net of debt	(297,402,002)	(200,621,614)	(163,095,388)	(201,974,877)	(153,311,368)
	4,431,784,806	4,207,708,140	4,073,681,636	4,167,314,960	3,309,366,323
<b>CAPITAL EMPLOYED</b>					
Stated capital	288,386,885	288,386,885	288,386,885	288,386,885	288,386,885
Reserves	3,302,650,424	3,072,137,168	2,908,873,267	3,122,979,355	2,208,688,140
	3,591,037,309	3,360,524,053	3,197,260,152	3,411,366,240	2,497,075,025
Non controlling interest	2,681,173	2,546,365	1,296,447	1,253,435	906,106
Total equity	3,593,718,482	3,363,070,418	3,198,556,599	3,412,619,675	2,497,981,131
Total debt	838,066,324	844,637,722	875,125,037	754,695,285	811,385,192
	4,431,784,806	4,207,708,140	4,073,681,636	4,167,314,960	3,309,366,323
<b>OPERATING RESULTS</b>					
Revenue	305,685,802	276,430,164	305,664,737	356,484,427	813,609,430
EBIT	321,962,700	94,135,675	179,279,660	416,415,203	(94,957,504)
Finance expenses - net	(78,961,767)	13,613,403	(70,259,390)	(16,989,758)	(128,512,469)
Profit before tax	243,000,933	107,749,078	109,020,270	399,425,445	(223,469,973)
Tax (expense)/ release	(34,683,250)	(58,001,398)	(28,814,401)	(30,629,707)	(20,885,113)
Profit after tax	208,317,683	49,747,680	80,205,869	368,795,738	(244,355,086)
<b>CASH FLOW</b>					
Net cash generated from/(used) in operating activities	357,741,056	(95,605,411)	(72,721,246)	92,995,651	(552,402,714)
Net cash generated from/(used) in investing activities	(344,820,340)	134,981,805	75,239,712	15,371,548	433,830,660
Net cash generated from/(used) in financing activities	(50,660,898)	(70,816,240)	33,114,644	(124,772,611)	157,397,994
Increase/ (Decrease) in cash and cash equivalents	(37,740,182)	(31,439,846)	35,633,110	(16,405,412)	38,825,940
<b>KEY INDICATORS</b>					
Basic earnings per share (Rs)	13.69	3.27	5.28	24.26	(14.47)
Dividend per share (Rs)	5.00	5.00	5.00	5.00	2.00
Net asset per share	236.25	221.09	210.35	224	164
Debt - Equity ratio	0.23	0.25	0.27	0.22	0.32
Current ratio (times covered)	1.38	1.83	2.06	2.29	1.87
Dividend payout ratio	37%	153%	95%	21%	-14%

# Notice of Meeting

## **C M HOLDINGS PLC** (Company No. PQ 169)

Notice is hereby given that the 112th Annual General Meeting of C M Holdings PLC will be held on 26th September, 2024 at 10.00. a.m. and conducted as a Virtual Meeting from 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 1, for the following purposes:

1. To receive and consider the Annual Report of the Board of Directors and Statement of Accounts for the year ended 31st March, 2024 with the Report of the Auditors thereon.
2. To re-elect as a Director, Mr. Anushman Rajaratnam who retires in accordance with Articles 88 and 89 of the Articles of Association.
3. To reappoint Mr. A.M. de S. Jayaratne who is over seventy years of age as a Director. Special Notice has been received from a shareholder of the intention to pass a Resolution which is set out below in relation to his reappointment (see Note No 5).
4. To reappoint Dr. J.M. Swaminathan who is over seventy years of age as a Director. Special Notice has been received from a shareholder of the intention to pass a Resolution which is set out below in relation to his reappointment (see Note No 6).
5. To reappoint Mr. S.D.R. Arudpragasam who is over seventy years of age as a Director. Special Notice has been received from a shareholder of the intention to pass a Resolution which is set out below in relation to his reappointment (see Note No 7).
6. To authorize the Directors to determine contributions to charities.
7. To reappoint as Auditors, Messrs. Deloitte Partners (formerly PricewaterhouseCoopers) and to authorize the Directors to determine their remuneration.
8. Special Business  
To consider and if thought fit to pass the following Resolution as a Special Resolution to amend the Articles of Association of the Company in compliance with the Listing Rules of the Colombo Stock Exchange in the manner following.

### **Special Resolution**

#### **Resolved-**

- That the existing Article 76 be deleted and the following be substituted therefor:  
76. The Directors shall not be less than five (5) nor more than nine (9) in number.

By Order of the Board,  
**Corporate Managers & Secretaries (Private) Limited**  
Secretaries

Colombo  
26th August, 2024

# Notice of Meeting

## **C M HOLDINGS PLC** **(Company No. PQ 169)**

### Notes:

1. A member of the Company who is entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of him or her. A proxy need not be a member of the Company.
2. A Form of Proxy is enclosed in this Report. The instrument appointing a proxy must reach the Registered Office of the Company's Secretaries, Corporate Managers & Secretaries (Private) Limited, No. 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 01, not less than forty-eight (48) hours before the time fixed for the holding of the meeting.
3. Members are encouraged to vote by Proxy through the appointment of a member of the Board of Directors to represent them and vote on their behalf. Members are advised to complete the Form of Proxy and their voting preferences on the specified resolutions to be taken up at the meeting and submit the same to the Company in accordance with the instructions given on the reverse of the Form of Proxy.
4. Please refer the "Circular to Shareholders" dated 26th August, 2024 for further instructions relating to the Annual General Meeting and for joining the Meeting virtually.
5. Special Notice has been received by the Company from a shareholder giving notice of the intention to move the following Resolution as an Ordinary Resolution at the Annual General Meeting:

Resolved –

"That Mr. A.M. de S. Jayaratne who is eighty four years of age be and is hereby reappointed a Director of the Company and it is further specially declared that the age limit of seventy years referred to in Section 210 of the Companies Act No.7 of 2007 shall not apply to the said Director, Mr. A.M. de S. Jayaratne."

6. Special Notice has been received by the Company from a shareholder giving notice of the intention to move the following Resolution as an Ordinary Resolution at the Annual General Meeting:

Resolved –

"That Dr. J.M. Swaminathan who is eighty three years of age be and is hereby reappointed a Director of the Company and it is further specially declared that the age limit of seventy years referred to in Section 210 of the Companies Act No.7 of 2007 shall not apply to the said Director, Dr. J.M. Swaminathan."

7. Special Notice has been received by the Company from a shareholder giving notice of the intention to move the following Resolution as an Ordinary Resolution at the Annual General Meeting:

Resolved –

"That Mr. S.D.R. Arudpragasam who is seventy three years of age be and is hereby reappointed a Director of the Company and it is further specially declared that the age limit of seventy years referred to in Section 210 of the Companies Act No. 7 of 2007 shall not apply to the said Director, Mr. S.D.R. Arudpragasam."







# Form of Proxy

## C M HOLDINGS PLC (Company No. PQ 169)

I/We the undersigned ..... of .....  
 ..... being a member/members of C M Holdings PLC, do hereby appoint  
 ..... of .....  
 ..... or failing him

- |   |                           |
|---|---------------------------|
| 1. Sri Dhaman Rajendram Arudpragasam            | of Colombo or failing him |
| 2. Dr. Jayanta Mootatamby Swaminathan           | of Colombo or failing him |
| 3. Ajit Mahendra de Silva Jayaratne             | of Colombo or failing him |
| 4. Sanjeev Rajaratnam                           | of Colombo or failing him |
| 5. Anushman Rajaratnam                          | of Colombo or failing him |
| 6. Ratnayake Mudiyansele Mohan Joseph Ratnayake | of Colombo                |

as my/our proxy to represent me/us, to speak and to vote on my/our behalf at the Annual General Meeting of the Company to be held on 26th September, 2024, at 10.00 a.m. and at any adjournment thereof and at every poll which may be taken in consequence thereof.

	For	Against
1. To receive and consider the Annual Report of the Board of Directors and the Statement of Accounts for the year ended 31st March, 2024 with the Report of the Auditors thereon.		
2. To re-elect Mr. Anushman Rajaratnam as a Director.		
3. To reappoint Mr. A.M. de S. Jayaratne as a Director.		
4. To reappoint Dr. J.M. Swaminathan as a Director.		
5. To reappoint Mr. S.D.R. Arudpragasam as a Director.		
6. To authorize Directors to determine contributions to Charities.		
7. To reappoint as Auditors Messrs. Deloitte Partners (formerly PricewaterhouseCoopers) and authorize the Directors to determine their remuneration.		
8. Special Business- To pass a Special Resolution to amend the Articles of Association as set out in the Notice convening the Meeting.		

As witness my/our hand(s) this ..... day of ..... 2024.

.....  
Signature of Shareholder

### Note:

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

Instructions as to completion are noted on the reverse hereof.

**C M HOLDINGS PLC**  
(Company No. PQ 169)

**Instructions as to Completion**

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

# Corporate Information

## Board of Directors

### Chairman

S. D. R. Arudpragasam FCMA (UK)

### Directors

Dr. J. M. Swaminathan Attorney-at-Law, LLB (Ceylon),

L. L. M., M. Phil. (Colombo) and LLD (Honoris Causa)

A. M. de S. Jayaratne B.Sc. (Econ.), FCA

S. Rajaratnam B. Sc., CA

Anushman Rajaratnam B.Sc. (Hons.), CPA, MBA

R. M. M. J. Ratnayake CMA, CGMA, MBA

## Chief Executive Officer

Mr. Arosh Azariah FCCA (UK), ACMA (UK), MBA

## Secretaries

Corporate Managers & Secretaries (Private) Limited

8-5/2, Leyden Bastian Road,

York Arcade Building,

Colombo 01.

## Registered Office

297, Union Place, Colombo 02.

## Legal form

Public Quoted Company with Limited Liability

Domiciled in Sri Lanka

## Date Of Incorporation

09 July 1909

## Company Number

PQ 169

## Stock Exchange Listing

The Ordinary Shares of the Company are Listed with the Colombo Stock Exchange of Sri Lanka.

## Bankers

People's Bank

Hatton National Bank PLC

Commercial Bank of Ceylon PLC

## Lawyers

Messrs. Julius & Creasy

## Auditors

Messrs. Deloitte Partners (formerly PricewaterhouseCoopers)

