Member of the CBL Group

GUARANTEE OF SUCCESS

CONVENIENCE FOODS (LANKA) PLC

ANNUAL REPORT 2014/15

25 Years of Commitment

1990-2015

CONVENIENCE FOODS (LANKA) PLC

A GUARANTEE OF SUCCESS

No legacy is carved without relentless perseverance, innovation and commitment. We are proud to share with you that since our genesis in 1990 we have been an enterprising, promising and sought after entity in the nutritional food and confectioneries industry in the country.

The year under review is the 25th year of operation providing a stellar and diverse range of top quality products satiating the palettes of a large and loyal clientele.

Your Company has achieved success, stability and solidarity due to our penchant to always deliver the best to our Shareholders, Stakeholders, Intermediaries and Clientele. We look forward to the future optimistic of 25 more years of unparalleled quality and sheer value for your purchase.

A true guarantee of commitment.
A bountiful guarantee of success.

25 Years of Commitment

1990-2015

CBL CONVENIENCE FOODS (LANKA) PLC

HISTORY OF 25 YEARS OF COMMITMENT

In January 2015, Convenience Foods commemorated a quarter decade of commitment towards facilitating healthy food choices among Sri Lankan families. By combining nutrition with convenience, we are proud to state that our products have contributed towards the overall health and well-being of Sri Lanka's future.

Starting operations in 1990, Soy Foods F&W Limited, a public quoted a subsidiary of Forbes and Walker Limited, was the Sri Lankan pioneer in textured vegetable protein (TVP), popularly termed, soya meat. The locally manufactured product was originally introduced to domestic consumers in bulk form, under the brand name 'Lanka Soy,' as an alternative source of protein.

A paradigm shift occurred in 2000, when Ceylon Biscuits Limited (CBL) acquired a 79% controlling stake of the Company and re-launched the Company as Soy Foods Lanka Limited. In 2001 and 2002 CBL revolutionised the slow-moving soya meat market by introducing nugget shaped, fish, chicken and vegetarian flavoured soya products, in attractive and convenient package sizes, that appealed to non-vegetarians as well as vegetarians. The new, flavoured soya products transformed and expanded the domestic soya market, leading to many accolades for Lankasoy. In 2002-2003, Lankasoy won the Gold Award for 'Turnaround Brand of The Year,' a Silver Award for 'Innovative Brand' and a Bronze Award for 'Product Brand of the Year,' at the SLIM Brand Excellence Awards.

In 2004, Soy Foods Lanka Limited, modernised its factory with automated packing to produce high quality Soya nuggets. The new high-tech factory was certified ISO 9000 & 22000, GMP and HACCP making Lankasoy the first soya foods brand to qualify for SLS certification.

In 2008, the Company changed its name to Convenience Foods Lanka PLC, to reflect its growth plans of diversifying beyond soya based foods, into the convenience foods segment. The Company then expanded its product portfolio to manufacture extruded snacks, nutritional cereal, soups and other convenience products, under the brand names of Lankasoy, Ramba snacks, Rasahari noodles, Rasahari Soups and Nutriline Cereal. Today, the Company exports a range of products to the Middle East, Europe, USA, Asia and Australia and thereby contributes a notable percentage towards CBL exports. Investor confidence in the Company is reflected in the steady increase in share price from Rs. 5.50 in 2000, to the current rate of Rs. 450.

As we look to the future, we remain committed towards our mission of bringing healthy but convenient food to Sri Lankan tables.

Soy Foods F&W Limited - a publicly quoted company and a subsidiary of Forbes and Walker Limited, commenced operations in 1990. Soy Foods was the pioneer in manufacturing and marketing textured vegetable protein also known as TVP or soya meat (Company operations started manufacturing TVP).

COMMENCED OPERATIONS IN 1990

INTRODUCTION OF EASY TO PICK UP PACKS

In 2001 and 2002 CBL revolutionized the slow-moving Soya meat market with the introduction of interesting nugget shapes that appealed to vegetarians and non-vegetarians. Up until this time, Soya was considered a substitute for protein but with the change in strategy and the introduction of new authentic flavours, preferred by non-vegetarians, Soya became the substitute for meat and fish in households. This scrumptious variety was attractively packed in practical and easy-to-pick-up packs and introduced to the market as (sub brand of Lanka Soy) Malu Soy, Chiko Soy and Vegi Soy.

In 2006-2007 the Company introduced Lean Manufacturing practices.

In 2008 the Company won the Productivity Awards conducted by NPS.

2008 saw a name change as the Company expanded with a diverse range of food. Soy Foods Lanka Limited became known as Convenience Foods Lanka PLC.

BECAME KNOWN AS CONVENIENCE FOODS LANKA PLC

In the year 2000 Ceylon Biscuits Limited stepped in to make a difference in the manner this pioneering company conducted operations and changing the perception of Soya meat in the local marketplace.

MODERNIZATIONS TO THE FACTORY

In 2004 Soy Foods Lanka Limited invested in automation packing and invested in new machinery and implemented modernizations to the factory to produce high quality Soya nuggets.

The new high-tech factory was certified with ISO 9001 in year 2007 & certified with SLS certification for Soy food products in 2010 and also certified with 22000, GMP & HACCP in 2011.

CERTIFIED WITH ISO 9001

In 2011 we introduced innovative ready to cook Textured Vegetable Protein products under the brand name of Pack to Pan in four variants to offer more convenience to consumers. Pack to Pan is a product with a meaty texture.

INTRODUCTION OF PACK TO PAN

COMPANY WON 6 AWARDS

In 2013 we introduced our Ramba savoury products under the brand name of Ramba.

In 2013-14 the Company won 6 awards.
1. Brand of the year
2. Product Brand of the Year - Gold
3. Local Brand of the Year
4. Innovative Brand of the Year - GOLD
5. Manufacturing Food & Beverages – Runner up
6. Quality Circle Awards - Silver

In 2015 we introduced the highly sought after Nutriline cereal range with three varieties. Nutriline is a tasty, healthy and wholesome cereal enriched with multi-grains delivering optimal nutrition for children.

INTRODUCED NUTRILINE CEREAL RANGE

MILESTONES

In 2012 we introduced the fabulous snack Ramba in a sweet flavor & later introduced a savoury flavour.

INTRODUCED THE FABULOUS SNACK RAMBA

IMPLEMENTED THE SAP ERP SYSTEM

In 2014 the Company was awarded the Slim Brand Excellence – Brand of the Year – Bronze Award & National Business Excellence Awards -2014 – Manufacturing Food & Beverages – Winner Gold Award.

In 2014 the Company implemented the SAP ERP system.

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Twenty Fourth (24th) Annual General Meeting of Convenience Foods (Lanka) PLC will be held on 27th August 2015 at 3.30 p.m. at Ceylon Biscuits Limited, High Level Road, Makumbura, Pannipitiya for the following purposes;

1. To receive and consider the Annual Report of the Board of Directors on the affairs of the Company and the Statement of Accounts for the year ended 31st March 2015 and the Report of the Auditors thereon.
2. To declare a first and final dividend of Rs. 5.50 per share for the year ended 31st March 2015.
3. To re-appoint the retiring Auditors Messrs S J M S Associates, Chartered Accountants as the Company's Auditors and to authorise the Directors to determine their remuneration.
4. To authorise the Directors to determine donations for the year ending 31st March 2016 and up to the date of the next Annual General Meeting.

By Order of the Board
Convenience Foods (Lanka) PLC

P W Corporate Secretarial (Pvt) Ltd
Secretaries

30th July 2015
Colombo

Notes:
1. A Shareholder is entitled to appoint a Proxy to attend and vote at the Meeting on his/her behalf.
2. A Proxy need not be a Shareholder of the Company.
3. A Form of Proxy is enclosed for this purpose.
4. The completed Form of Proxy must be deposited at the Registered Office of the Company at Ceylon Biscuits Ltd, High Level Road, Makumbura, Pannipitiya by 3.30 p.m. on 25th August 2015.

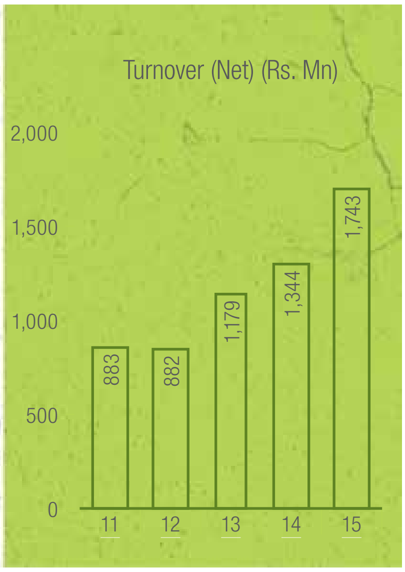
FINANCIAL HIGHLIGHTS

Group data	For the year ended 31.03.2015 Rs.	For the year ended 31.03.2014 Rs.	Change favourable/ (Unfavourable) %
PROFITABILITY			
Turnover (Net)	1,742,502,671	1,343,789,021	29.67%
Operating return	171,888,441	113,031,106	52.07%
Finance Cost	(5,045,496)	(9,088,221)	44.48%
Profit after finance cost	166,842,945	103,942,886	60.51%
Other income	13,561,664	11,510,815	17.82%
Total gain on disposal of shares held by the trust	41,613,945	-	100%
Profit before taxation	222,018,555	115,453,701	92.30%
Taxation	(57,096,337)	(29,483,821)	(93.65%)
Profit after taxation	164,922,218	85,969,880	91.84%
PER SHARE DATA			
Earnings per share (Rs.)	59.97	31.26	91.84%
Net assets per share (Rs.)	209.09	162.20	28.92%
Market price at year end (Rs.)	325.70	210.00	55.10%
PROFITABILITY RATIOS			
Operating return on average investment	26.87%	21.82%	23.16%
Profit before taxation as a percentage of turnover	12.74%	8.59%	48.30%

Turnover (Net)

1,743 Mn

(2013/14: Rs. 1,344 Mn)



CHAIRMAN´S STATEMENT

"IN JANUARY 2015, CONVENIENCE FOODS (LANKA) PLC CELEBRATED 25 YEARS OF CONTINUOUS SERVICE TO THE NATION, THROUGH ECONOMIC AND SOCIAL VALUE CREATION THAT HAS CONTRIBUTED TO OVERALL NATIONAL GROWTH."

I am indeed pleased and privileged to deliver my first formal statement as the Chairman of Convenience Foods (Lanka) PLC, by presenting the audited financial statements and annual report of the Company for the financial year 2014/15. I wish to thank the Board of Directors and the Company for this honour bestowed on me and the confidence placed on me, and I express my gratitude and warmest appreciation to the outgoing Chairman, Mr M.P. Wickramasingha, for the yeoman service rendered to the Company by him, over the past 15 years.

I take this opportunity to announce the momentous occasion of the Silver Jubilee of the Company. In January 2015, Convenience Foods (Lanka) PLC celebrated 25 years of continuous service to the nation, through economic and social value creation that has contributed to overall national growth. This happy occasion will be commemorated in 2015 with a series of memorable events under the theme,"25 Years of Commitment" where the Company will celebrate its achievements with its staff and Board of Directors who have contributed towards the success of the Company.

Given the current context, it gives me great pleasure to declare the financial year 2014/15 as the most promising year from its inception, with record growth in both revenues and profitability, which confirms the effectiveness of the business model Convenience Foods (Lank) PLC, has thus far pursued.

Domestic economic conditions during the financial year were mixed, though the overall economy grew by 7.4% in 2014, compared with a growth of 7.2% in 2013. The higher economic growth enabled per capita income to grow to US $ 3,625 from US $ 3,280 in the previous year. The lower interest rates, the low rate of inflation and higher disposable incomes, resulted in economic growth being driven primarily by consumption expenditure, which was conducive to your Company's performance, which is clearly reflected in the results. Particularly in the second half of the year, persistent consumer demand, resulted in strong growth across almost all product segments of the Company, leveraged by a strong brand, "Lanka Soy". This resulted in Lanka Soy maintaining clear market leadership during the year. The range of extruded snacks introduced in the previous financial year, under the Ramba brand too, has begun contributing to overall revenues.

While soy flour prices peaked to some of the highest in history during the current financial year, the Company was successful in maintaining improved levels of efficiency, cost and overheads management, which enabled maintaining improved profit margins. Prudent management of finances and procurement practices in the face of volatile prices of imported raw material ensured continuous supplies at the most competitive rates. The Company enjoyed an exceptional year with a revenue growth of Rs 400 mn year-on-year, and an after tax profit of Rs 164.9 mn, the highest to date. Total Assets of the Company rose to over Rs 900 mn.

In addition to a robust financial performance, I am pleased to report that Convenience Foods has continued to deliver on its promise of offering appetising, healthy and convenient food offerings to its customers both in Sri Lankan and overseas. Throughout the period under review, the Company continued to introduce new products to its already extensive product range, expanding consumer choice and also providing a high protein alternative to all socio-economic segments. The Company is cognizant of the rapidly changing lifestyles in Sri Lanka and will strive to meet the growing trends in the food industry.

In an era where fast food is increasingly becoming popular, and where Sri Lankans of all ages and social standings are faced with the challenge of accessing clean, nutritious, reliable and affordable food products that are easy to prepare, Convenience Foods will continue to develop innovative food offerings that are as wholesome and convenient to the end consumer. Over the years, our commitment to offer nourishing food solutions to Sri Lankan consumers, have been augmented through persistent research and development efforts that have continually brought to the table exciting flavours and innovative recipes. Keeping with this business model of continuous innovation, during the current financial year, the Company entered the ready made cereals market with a range of home grown cereals, processed and packaged for consumers of all ages, under the,"Nutriline" brand.

The Nutriline range deserves special mention not only for its contribution towards health and welfare of the discerning Sri Lankan consumer, but also for its engagement of the country's farming communities. While imported instant cereals drain valuable foreign exchange from the country's reserves, Nurtiline is not only manufactured locally with use of indigenous raw materials, it is also priced to suit the typical domestic consumer while also providing alternative income for farming communities. This latest innovation by Convenience Foods, is manufactured using domestically farmed rice, green gram, and other grains, ensuring the highest quality of a home grown food solution. I am confident that the discerning Sri Lankan consumer will be quick to recognise the benefits on Nutriline and the strong brand it is backed by, and will soon be established as a,"National Staple".

As reported by the Central Bank's Annul Report in 2014, the Sri Lankan economy is expected to register a real GDP growth of 7.0% in 2015 and an average growth of 7.8% over the period 2016-2018. Therefore, I am confident that Convenience Foods has strong growth prospects into the medium term, where it could meet the needs of the rapidly changing life styles of the Sri Lankan consumer who is likely to be more health conscious. Convenience Foods is equipped to face this anticipated growth in demand, by capacity enhancements it has acquired recently, and supported by continued investments into research and development.

In conclusion, I wish to thank my colleagues on the Board for their valuable guidance and advice provided during the year and the shareholders for their faith and confidence placed in the Company. It is my strong belief that the hard work and dedication of employees at all levels have contributed to noteworthy performance recorded in the year under review. My thanks and appreciation go to all employees of the Company for their invaluable contribution over the years in making Convenience Foods to grow from strength to strength. Last but not least, I extend my warm appreciation to all our customers for the loyalty shown towards the Company's products.

I sincerely wish Convenience Foods a Very Happy and Prosperous 25th anniversary, and I am confident the Company will continue to make a strong and valued presence in Sri Lanka's ever developing landscape.

Sincerely

R S Wickramasinghe
Chairman

30th July 2015

MANAGING DIRECTOR'S REVIEW OF PERFORMANCE

"THE CURRENT YEAR SAW A TOP LINE GROWTH OF 29.7%, TO RS 1.7 BN, FROM RS 1.3 BN IN THE PREVIOUS FINANCIAL YEAR, FUELLED BY THE RAPID GROWTH OF SALES OF SOYA PRODUCTS AND BY THE GROWTH OF EXTRUDED SNACKS AND SOUPS."

As I had explained in my previous reviews, Convenience Foods initiated a growth strategy based on innovative food concepts to complement the rapidly changing lifestyles of Sri Lankan society. Our flagship brand Lankasoy is synonymous with this business philosophy of bringing home to Sri Lankan families and individuals, the highest level of convenience, coupled with affordability and nutrition. Within the past two years investments in plant and equipment facilitated capacity growth for an expansion strategy to introduce more new products to Sri Lankan consumers. I am indeed pleased to report that these investments are now coming to fruition with the new products introduced during the previous financial years beginning to contribute to overall revenues, opening up new, high growth revenue streams for the future. Convenience Foods closed the year on a strong balance sheet with the introduction of yet another new product range that will contribute towards a healthy society through home grown nutrition and ease of use.

Financial Performance

The current year saw a top line growth of 29.7%, to Rs 1.7 bn, from Rs 1.3 bn in the previous financial year, fuelled by the rapid growth of sales of soya products and by the growth of extruded snacks and soups. The profit after tax shot up by Rs 79 mn, nearly doubling against the previous year, to reach Rs 164.9 mn.

The bottom line was boosted by an Rs 41.6 mn, one-off inflow, from the sale of shares held in trust. The permanent share trust for employees was dissolved and disposed in the open market according to a direction by the Colombo Stock Exchange, before the deadline of March 31st 2015. However, I wish to place on record that the Company's operational performance has been commendable by itself, excluding these supplementary inflow.

Careful management of costs coupled with a strong sales thrust, resulted in the operating profits outpacing revenues growth for a stronger operating profit than the previous year, despite higher cost of sales. The higher costs associated with sales was mainly due to increased distribution outlay to facilitate further market penetration by expanding geographic coverage and to gain additional shelf space within existing localities. Despite this increased expenditure on distribution, cost of sales was contained to a 29.3% expansion at Rs 1.2 bn. Meanwhile, tax expenditure for the year too, increased to Rs 57 mn, against the Rs 29 mn in the preceding financial year, due to the addition of Rs 20 mn in deferred taxes. Nevertheless, the operating profits for the year outpaced the 29.7% revenues growth marginally, for a 41.5% year-on-year growth, to reach Rs 522 mn, from Rs 369 mn in the previous year.

The Company closed the year with the balance sheet growing by 27.5% to reach Rs 903.6 mn with net asset value per share increasing to Rs 209.01 from Rs 162.12.

Performance of Lanksoy

Sri Lanka's market leader in Textured Soya Protein (TSP) based products, the current financial year saw Lankasoy expand market share to 40%, on the back of rapid growth in sales volumes.

While the year began on a volatile note for soy flour, with prices peaking to around US$ 1000 per MT, the second quarter of the year saw soy flour prices stabilising at a lower US$ 700 range per MT in the face of soybean oversupplies in the US and Argentine markets. Faced with a scenario of unpredictable market prices at the start of the year, the Company responded promptly with a precautionary forward buying formula to hedge against extreme price fluctuations. While the environment of pricing instability forced a number of smaller domestic competitors of TSP products to exit the market, Convenience Foods was able to negotiate favourable pricing with suppliers due to the trust built-up through long term relationships. This deposit of goodwill contributed significantly towards allowing the Company to maintaining retail prices at existing levels, although at the cost of lower profit margins. Nevertheless the exponential growth in volumes compensated for the lower margins.

We continued to introduce new flavours under the Lankasoy brand, coupled with aggressive marketing and distribution expansion, to win over new market segments and new geographic markets including the Northern Province. Sales were supported by the island wide distribution network of around 88 distributors and 132 territories, including the North and East, that targets both retail and wholesale outlets. During the current year the focus was mainly on expanding our distribution footprint in the North and I am happy to note encouraging signals for Lankasoy products from the Northern Province.

Robust sales were sustained throughout the year across the Lankasoy range with the Lankasoy premium range, retailed in supermarkets and upmarket retail outlets, growing by 21%, while sales of budget packs increased by 10%, indicating consumer interest across socio-economic segments. Sales were driven by the segmenting strategy of identifying distinct market segments and targeting them with a continuous outflow of new options. The push strategy of rapidly churning out new flavours and recipes provides variety and excitement at mealtimes and retains consumer interest across diverse age groups, moods and occasions. The ever expanding Lankasoy product range provides a wide variety of choices from well loved traditional flavours such as ambul thiyal and polos curry, to meat flavours, to Chinese recipes, designed for maximum taste coupled with the greatest convenience. During the current financial year the iCook Stir Fry range was launched targeting young people with easy-to-make but mouth watering recipes, while the Sweet and Sour Soya packs added variety through a Chinese recipe.

Soya sales may have also benefited from greater consumer awareness of health benefits of soya products, while market surveys also indicate that Lankasoy is increasingly gaining permanent table space as an accompaniment to meats, instead of being an alternative to meat products.

We will be leveraging on this positive demand trend in the new financial year with a consumer education programme on the cost and health benefits of soy products. Based on current growth projections, and sustained positive market conditions.

Performance of the Ramba Range

I am happy to note that the Ramba range of extruded snacks, launched in the previous financial year, is already beginning to make its mark. Ramba sales picked up the pace in the current financial year for a 60% growth in turnover, albeit from an extremely small base. Sales growth was driven by improved distribution efforts, that has increased market penetration of the product giving the brand stronger market presence.

While sales volumes indicate that Ramba is indeed gaining consumer mindshare, the brand continues to face strong competition from established brands, and has an uphill task in establishing itself as the market leader. Therefore, no new products were introduced during the current financial year. Instead, the focus was on developing the optimum marketing mix to capture market share. The new Ramba manufacturing facility is currently fully operational and is equipped to take on the highly competitive extruded snacks market, and to accommodate sustained volume growth over the coming years. Therefore, I am confident of gaining market share over the coming years.

Performance of Rasa Hari Soups

Our range of soups under the Rasa Hari brand continued to show growth during the year and grew by 22% in turnover when compared with last year. Although no new products were introduced during the year, growth plans for the range includes new flavours that will be introduced in the new financial year. With rising income levels, we anticipate slow but sustained growth in this segment.

Exiting the Jelly Market

As part of an ongoing portfolio rationalisation we will be exiting the jelly market, that is both limited in size and highly competitive, to concentrate on growing the market share of other, more potential product ranges. Therefore, the current financial year did not see active marketing of the Go Jelly range as we gradually scaled back on marketing and distribution.

Nutriline Enters the Cereal Market

In line with our business philosophy of bringing convenience coupled with nutrition to Sri Lankan consumers, our latest product range, Nutriline cereals, was introduce to the market in February 2015. Manufactured using domestically sourced grains, Nutriline is a high energy, nutritious, cereal line with flavours specifically designed for adults and children. Currently the Nutriline range comprises of three flavours, with Choco Blobs, Choco Chips and Choco Grains. The cereals are manufactured using a combination of wheat, rice, soya and green gram to ensure a diversity of nutrients, with a chocolate centre for a sweet aftermath. The product can be consumed as a snack straight out of the pack, or as a wholesome meal combined with milk.

Nutriline will be aggressively promoted during the new financial year on the basis of its direct health benefits and affordable pricing, compared to imported cereals.

Internal Improvements

The new manufacturing facility for the Ramba range was completed during the current financial year and the management and staff shifted into the new building that provides higher quality facilities. In addition, overall administration efficiencies have been improved through the implementation of an ERP system. The new system facilitates greater cost controls, together with productivity improvements that will contribute to the bottom line in the new financial year.

Appreciations

As we close the year on a high note, I would like to thank the outgoing Chairman, Mr M.P Wickramasinghe, for the immense services rendered to the Company over the past 15 years. Under his stewardship, Convenience Foods achieved new heights of growth and development. I also extend a warm welcome to the new Chairman, Mr R.S. Wickramasinghe, as we look forward to a highly successful Silver Jubilee year.

My gratitude also goes out to the Board of Directors for their unstinted backing and guidance during the year. I would like to thank our suppliers for supporting the Company during the difficult times and as always, I am grateful to all our customers for their loyalty towards the Company. I thank my management and staff for their contributions towards an extremely successful year and I look forward to another year of hard work and cooperation.

Sincerely

E T De Zoysa
Managing Director

30th July 2015

CORPORATE GOVERNANCE

Corporate Governance is the system of internal controls and procedures by which CFL is managed. The business of Convenience Foods (Lanka) PLC (CFL), a subsidiary of Ceylon Biscuits Ltd (CBL), is managed under the oversight of the Company's Board of Directors. The Board is responsible and accountable for the management of the affairs of the Company, conduct of business and maintenance of prudent risk management and soundness of the organisation. The Company strives to achieve and sustain the highest corporate governance standards across the organisation. The Board believes that a strong corporate governance framework serves to ensure the full conduct of its responsibilities towards all its stakeholders, namely, employees, shareholders, suppliers, consumers and the community. In pursuit of this objective, the Board is committed to meet its business goals with the highest standards of transparency and professionalism.

Given below are the practices adopted by the organisation within the framework stipulated by the Code of Best Practice issued by the Institute of Chartered Accountants of Sri Lanka (ICASL) and Section 7 of the Listing Rules set out by the Colombo Stock Exchange (CSE).

1. Board of Directors

The Board is responsible for the supervision and management of the Company's business and affairs, which includes ensuring that the policies and practices of the organisation comply with the corporate governance framework. The Board of Directors' key purpose is to ensure the Company's prosperity by collectively directing the Company's affairs, whilst meeting the appropriate interests of its shareholders and stakeholders. In addition to business and financial issues, the Board of Directors must deal with challenges and issues relating to corporate governance, corporate social responsibility and corporate ethics.

In addition to monitoring governance, the Board is held responsible for defining and guiding the overall strategic direction, risk management, appointment of the CEO, Managing Director, evaluation and approval of capital expenditure and new investments, succession planning, approval of budgets, and defining policies that ensure effective internal controls, standards and employee satisfaction. The Board believes that good corporate governance encourages accountability and transparency, and promotes good decision making to support its business.

2. Board Balance

CFL fulfills the mandate of the Listing Rules of the CSE by having six Non-Executive Directors, including the Chairman - representing more than one-third of the entire Board of seven Directors. Further, the Board has concluded that three of the Non-Executive Directors meet the criteria of 'Independence' with no material dependence on CFL as specified in the Listing Rules. The Board is committed to appointing Directors with cross cutting skills and experience to assist in managing the affairs of the Company. The Director Profiles on page 13 of this Annual Report detail their proven competencies and indicate how they add value to the business, the deliberations of the Board and to the corporate governance process.

3. Board Meetings

The Board met four times during the year.

Details of Directors' shareholding are available in the Directors report on page 19 of this Annual Report.

4. Balance of Authority & Management Structure

It is the policy of the Board to ensure that the role of Chief Executive, which is vested in the Executive Director, is kept separate from the Chairman of the Company, thereby facilitating the effective discharge of duties by the Board of Directors.

The operational management function is guided by a team of Senior Managers within the ethical framework as established by the Board. Monthly management review meetings are also held, the chief agenda of which is to review the operation of the senior management team under the supervision and guidance of the Board. At these meetings, the Board reviews strategic direction, risk management and other issues. The senior management team also advices the Board on the trends in Key Performance Indicators which are discussed at weekly internal committee meetings held with sectional heads.

5. Board Sub Committees

A Remuneration Committee and an Audit Committee function as Sub Committees of the Board.

6. Remuneration Committee

CFL appoints its own Remuneration Committee comprising of the Directors given below. The Committee meets and makes recommendations to the Board on the remuneration payable to the Executive Director. The remuneration is assessed based on the performance of the organisation during the preceding year.

Mr. R S Wickramasingha
(Non-Executive Director, Chairman of the Committee)

Dr. D M A Kulasooriya
(Independent Non-Executive Director)

Mr. U Thilakawardana
(Independent Non-Executive Director)

7. Audit Committee

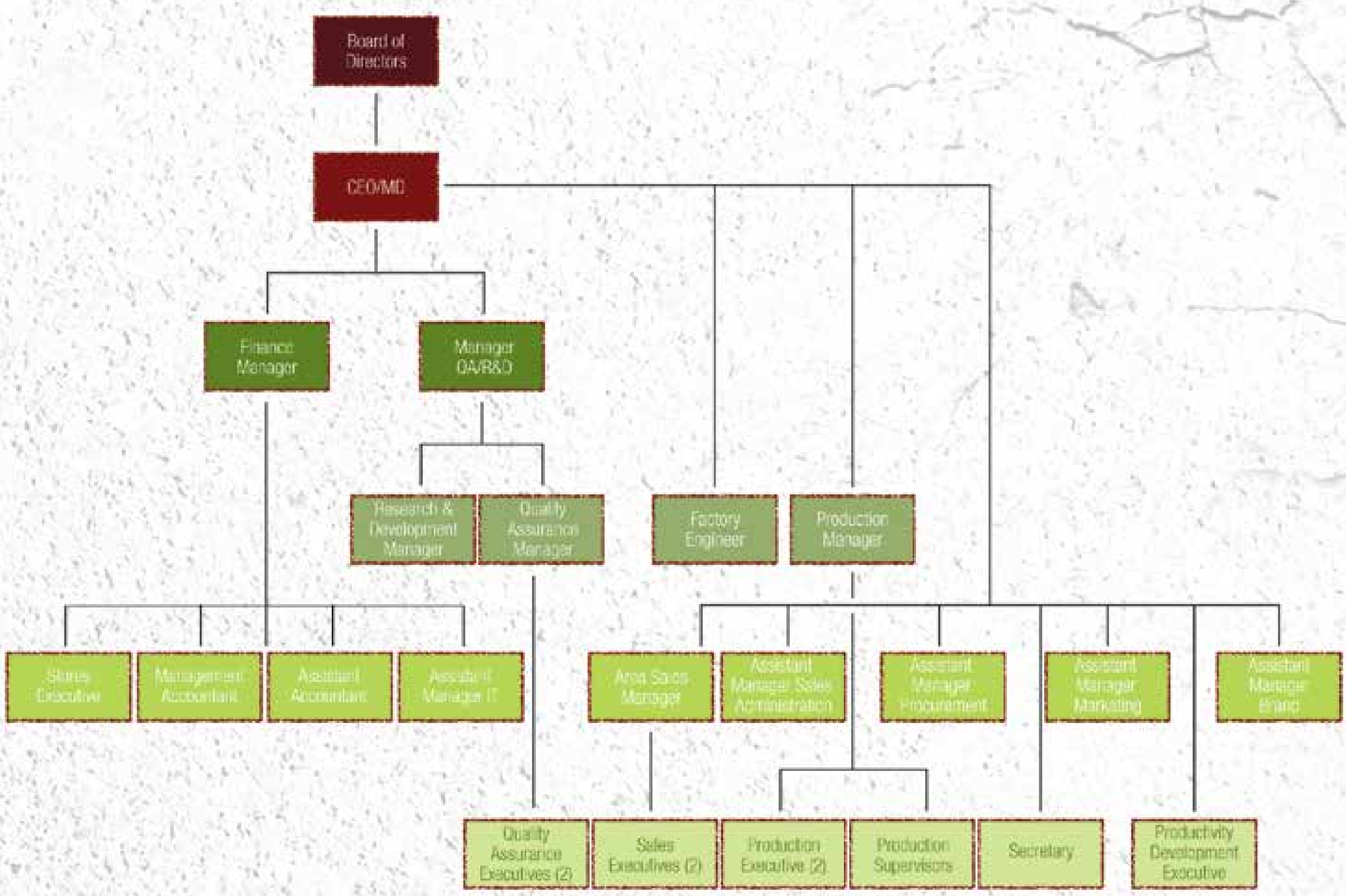
The Board has established an Audit Committee to establish formal and transparent application of accounting policies, financial control and internal control principles, while maintaining an appropriate relationship with the Company's auditors.

The Audit Committee comprises of the Directors detailed below.

Since the composition of the Audit Committee is by regulation supposed to consist only of Non-Executive Directors and the Managing Director is an Executive Director, it has been the practice of the organisation to ensure that the Audit Committee does not meet without the presence of the MD.

The Chairman of the committee is a member of a recognised Accounting Body.

This practice has been adopted to ensure that the Audit Committee is ably guided and advised to enable sufficient recommendations



to be made to the Board to improve the organisation's internal control and risk management procedures, assess the independence and performance of the External Auditors, adopt any recommendations made in the Management Letter issued by the External Auditors, and to ensure that reliable and transparent financial information is disclosed in keeping with the Sri Lanka Accounting Standards (SLAS), the Companies Act and other regulations.

Mr. M S Nanayakkara
(Independent/Non-Executive Director/Chairman of the Committee)

Dr. D M A Kulasooriya
(Independent/Non-Executive Director)

Mr. U Thilakawardana
(Independent/Non-Executive Director)

8. Independent Advice

All Board members have access to the Company Secretary - P W Corporate Secretarial (Pvt) Ltd., to obtain advice on applicable rules, regulations and compliance requirements. Advice on taxation has been obtained over the year under review from M/s Ernst & Young, Chartered Accountants, while opinions were sought from the Employers Federation to ensure the organisation maintained healthy employee relations.

9. Financial Acumen

Adequate financial guidance is provided to the Board by Mr. M.S. Nanayakkara and the Chief Financial Officer (CFO), both of whom are members of professional accounting bodies and possess sufficient knowledge and competence to guide the Board.

10. Supply of Information

The Board's decision making capabilities are further strengthened by supplying comprehensive information through budgets, monthly financial statements, market reports and other reports as required, in accordance with the agenda. The Chairman ensures that all Directors are adequately briefed on matters to be decided at the meeting and ensures the Directors are fully conversant and upto-date with all developments taking place in the Company.

11. Relations With Shareholders & Financial Reporting

Active participation of the shareholders is encouraged at the Annual General Meeting, of which notice is given in the Annual Report. The Notice contains the agenda for the AGM and Form of Proxy and the prescribed period

CORPORATE GOVERNANCE CONTD.

of notice set out in terms of the Articles of Association of the Company has been met. Through the Chairman's Review and the financial and non-financial information set out in the Annual Report and the interim accounts are submitted to them (and to the CSE) at quarterly intervals, the shareholders are able to obtain a clear indication of the Company's performance over the year. The Board is committed to ensure complete transparency in disclosing its financial and non-financial information.

12. Major Transactions

No major transactions have occurred during the year, which falls within the definition of the Companies Act.

13. Internal Controls

The Board is responsible for establishing a sound framework of internal financial controls and monitoring its effectiveness on a continuous basis. By establishing such a strong framework, CFL is able to manage business risks and ensure that the financial information on which business decisions are made and published are reliable.

Policies in the areas of stocks, debtors, purchases, budgeting, and investments, among others; are continuously monitored by Messrs Ernst & Young. Results from regular internal audits and system reviews are discussed with the Managing Director and Finance Manager of CFL and where necessary, corrective measures are adopted and discussions held with the Audit Committee and the Board of CFL.

14. Going Concern

After extensive analysis of financial statements, management reviews, feedback from the group internal audit team and analysis of the annual budgets, capital expenditure and other investment requirements, periodic cash-flow forecasts and the organisation's liquidity indicators, the Board is convinced that the Company has sufficient cash flow to continue as a going-concern in the foreseeable future.

By Order of the Board
Convenience Foods (Lanka) PLC

E T De Zoysa
Managing Director

30th July 2015

BOARD OF DIRECTORS

Mr. R S A Wickramasingha

Chairman

Mr R S A Wickramasingha was appointed Chairman of Convenience Foods (Lanka) PLC from 24th June 2015 having served on the Board since 10th May 2000. He is currently the Chairman of Ceylon Biscuits Group, the largest FMCG conglomerate in the food industry that manufactures biscuits, chocolates, wafers, cake, soy products, cereals, snacks and dehydrated fruits. CBL possesses the strongest brands in the food industry and has market leadership in all categories it competes in. Its products are exported to over 50 countries while also operating in Bangladesh and Myanmar. He is also Chairman of all subsidiary companies of the CBL Group.

Mr Wickramasingha possesses vast and varied experience in the food industry and is qualified in Food technology at "Borough Polytechnic", now known as the" University of South Bank, U.K". While his focus has been on continuous product innovation and quality improvement, he has over the years been overall in-charge of product, quality assurance, product development and procurement across the CBL Group. He has been a Past President of the Lanka Confectionery Manufacturers Association.

Mr. Thilanka de Zoysa

Managing Director

He possesses over 20 years of experience in General Management. He started his career in the plantation sector, and has been with Soy Foods Lanka Ltd now Convenience Foods (Lanka) PLC since 1996. He was appointed to the Board of CFL in 30th October 2002 and was appointed as the Managing Director of the Company with effect from 1st April 2011.

Ms. Sheamalee Wickramasingha

Director

Ms. Wickramasingha was first appointed to the Board of Soy Foods (Lanka) Ltd., (Now Convenience Foods (Lanka) PLC) in May 2000. She is the Group Managing Director of Ceylon Biscuits Limited and the Managing Director of Modern Pack Lanka (Pvt) Ltd. She is also a Director of Plenty Foods (Pvt) Ltd., CBL Foods International (Pvt) Ltd., CBL Export (Pvt) Ltd., CBL Natural Foods (Pvt) Ltd., CBL Agroprocessors (Pvt) Ltd., CBL Cocos (Pvt) Ltd., Retailers Alliance Ltd, CBL Global Foods Ltd and CBL Myanmar Private Limited. She possesses a Masters Degree in Food Chemistry from the USA.

Mr. Nandana Wickramage

Director

The Group Director / Head of Marketing & Sales, Mr. Wickramage is qualified in Marketing, Sales and Retail Management and is a certified master practitioner of NLP. With over 35 years hands-on experience in the areas of Sales and Marketing, he is one of the most renowed marketers in the country, well-known for his ability to turn brands around and achieve success, proven by his strategic and innovative thinking. His continuing success in this highly challenging task proves the efficacy of his practical and creative approach to strategic planning and brand building. His enormous contribution to the field of Marketing & Sales has been recognised not only locally but internationally as well with most prestigious awards such as Global Brand Leadership Award 2010, Most Outstanding Marketing professional of the year 2011 by World Brand Congress, Marketing Professional of the year 2011 by CMO Council Asia, listed among the 50 most talented Chief Marketing Officers (Global) at the World Marketing Summit 2013 and Peoples Leader Award in Marketing at IPM 2014. He is also a well-recognised local and international trainer.

Dr. D M A Kulasooriya

Director

A BSc Graduate from the University of Peradeniya Dr. Kulasooriya has a PhD in lean management from JNTU, India and a MSc in management at the University of Sri Jayawardanapura, a postgraduate Training in Management at the Postgraduate Institute of Management and a Certification in Six Sigma Black Belt. He currently serves as the Director of Productivity and Management Development at the National Institute of Business Management and Director Academic Affairs (Acting), National School of Business Management. Possesses 20 years of experience in the field of Quality and Productivity Management, 11 years of which dealt directly in Lean Six Sigma implementation.

Mr. Udara Thialakawardana

Director

Udara Thilakawardana, Attorney-at-Law currently practices as a Counsel for civil cases in Colombo and Outstation courts and is a Legal Consultant for several organisations including private and public companies. He started his career in 1990 when he was enrolled in the Attorney General's Department as a state Counsel. Following 6 years in the Attorney General' s Department, he joined the unofficial bar and started practice in civil Courts.

Mr. Mahesh Shirantha Nanayakkara

Director

He has over 20 years of extensive experience in external and internal auditing and management consultancy related roles. Mr. Nanayakkara is a Fellow Member of the Institute of Chartered Accountants of Sri Lanka (FCA) and an Associate Member of the Chartered Institute of Management Accountants (ACMA, UK). He also holds a Master of Business Administration degree from the Postgraduate Institute of Management (PIM), University of Sri Jayewardenepura and a Bachelor of Commerce degree from the University of Colombo.

Appointed to the Board as an Independent Director in August 2010. Currently, he functions as the Senior Manager Group Assurance & Advisory Services of SriLankan Airlines and its subsidiary Sri Lankan Catering Ltd.

2014/15 - INNOVATIVE PRODUCTS

NUTRILINE

Nutriline cereal range; a tasty, healthy and wholesome cereal enriched with multi grains, delivering optimal nutrition for children.Nutriline's unique ingredient combinations include the five grains of wheat, soya, rice, corn and green gram without compromising taste and suitable for children aged 5 years and upwards. The chocolate cereal, center filled with cocoa, does not contain artificial colours, additives or added flavours.

Choco Chips is sweetened cereal chips with cocoa made with grains and vitamins. Choco Grains is a multigrain chocolate centered cereal, with wholesome grains of wheat, soya, rice, corn and green gram. Choco Blobs is a chocolate centered cereal,

SWEET & SOUR

The world famous Chinese recipe 'combination of luscious and pungent' knows as "sweet & sour" comes to you in Lanka soya form with a unique shape. Pack includes a special spice mix sachet and a corn flour sachet to ensure the delivery of a perfect Sweet & Sour

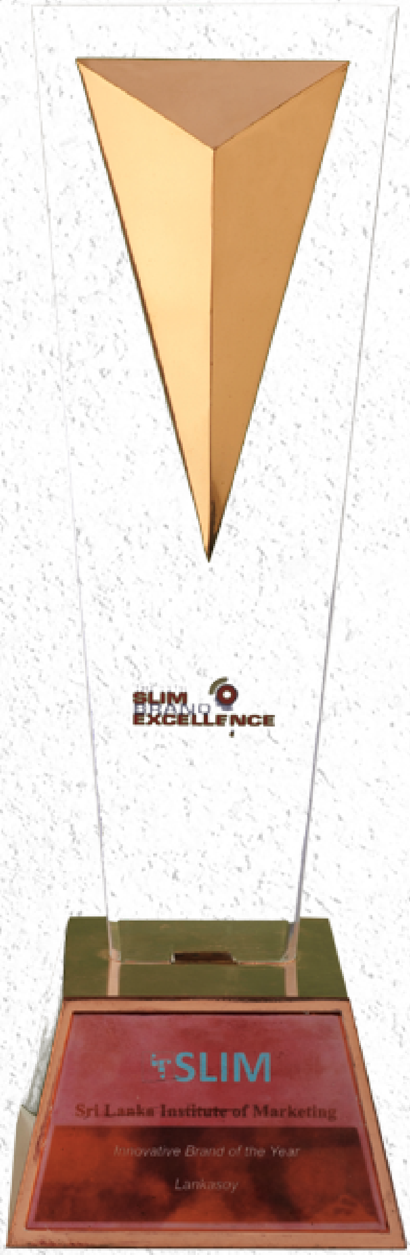
RAMBA

A range of extruded snacks which are baked not fried, and enriched with Vitamins & Minerals. It comes in Nitrogen flushed packs to keep the freshness and taste in five mouthwatering flavour variants (Chicken/ Onion/Pizza/Chilli/Cheese)

INDUSTRY RECOGNITION

Manufacturing Food & Beverage - Winner

The National Chamber of Commerce - National Business Excellence Awards - 2014



Innovative Brand of the Year - Bronze Award

The Sri Lanka Institute of Marketing - Brand Excellence - 2014

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

The Directors of Convenience Foods (Lanka) PLC have pleasure in presenting their Annual Report together with the Audited Financial Statements of the Company for the year ended 31st March 2015.

General

Convenience Foods (Lanka) PLC is a public limited liability company which was incorporated on 24th March 1991 as a private limited liability company under the Companies Act, No.17 of 1982 as Soy Foods (Private) Limited. The Company was converted to a public limited liability company on 11th March 1992 and was listed on the Colombo Stock Exchange in May 1992. It was re-registered as per the Companies Act, No.7 of 2007 on 25th June 2008 under Registration No. PQ 164. The name of the Company was changed to Convenience Foods (Lanka) PLC on 21st August 2008.

Principal Activity

The principle activity of the Company is the manufacture and marketing of Textured Vegetable Protein (TVP), which is popularly known as soya meat and other food products.

Review of Business

A review of the business of the Company and its performance during the year with comments on financial results, future strategies and prospects are contained in the Chairman's review on pages 6 and 7.

This Report together with the Financial Statements, reflect the state of affairs of the Company.

Financial Statements

The Financial Statements of the Company are given on pages 25 to 46.

Auditors Report

The Report of the Auditors on the Financial Statements of the Company is given on page 25.

Accounting Policies

The accounting policies adopted by the Company in the preparation of the Financial Statements are given on pages 30 to 35, which are consistent with those of the previous period.

Directors

The names of the Directors who held office as at the end of the accounting period are given below and their brief profiles appear on page 13.

Executive Directors
Mr E T De Zoysa - Managing Director

Non Executive Directors
Mr M P Wickramasingha - *Chairman (Resigned w.e.f. 24/06/2015)*
Mr R S Wickramasingha - *Director*
Ms D S Wickramasingha - *Director*
Mr N A Wickramage - *Director*
*Mr M U S G Thilakawardana - *Director*
*Dr D M A Kulasooriya - *Director*
*Mr M S Nanayakkara - *Director*

*Independent Non-Executive Directors

Mr M P Wickramasingha resigned as the Chairman and as a Member of the Board with effect from 24th June 2015.

Mr R S Wickramasingha was appointed as the new Chairman of the Board of Directors with effect from 24th June 2015.

Interest Register

The Company maintains an Interest Register in terms of the Companies Act, No.07 of 2007.

The Directors' have no direct or indirect interest in any contract or proposed contract with the Company other than those disclosed under Note 33 to the Financial Statements.

Directors' Shareholding

The relevant interests of Directors in the shares of the Company as at 31st March 2015 and 31st March 2014 are as follows:

	As at 31/03/2015	As at 31/03/2014
Mr M P Wickramasingha (Resigned w.e.f. 24/06/2015)	Nil	Nil
Mr R S Wickramasingha	Nil	Nil
Ms D S Wickramasingha	Nil	Nil
Mr E T De Zoysa	Nil	Nil
Mr N A Wickramage	Nil	Nil
Mr M U S G Thilakawardana	Nil	Nil
Mr D M A Kulasooriya	Nil	Nil
Mr M S Nanayakkara	Nil	Nil

Mr R S Wickramasingha, Ms D S Wickramasingha and Mr N A Wickramage are Directors of Ceylon Biscuits Limited which held 1,962,977 shares equivalent to 71.381% of the shares constituting the Stated Capital of the Company.

Directors' Remuneration

The Directors' remuneration is disclosed under Note 9 to the Financial Statements.

Directors' responsibility for Financial Reporting

The Directors are responsible for the preparation of the Financial Statements of the Company to reflect a true and fair view of the state of its affairs.

Auditors

Messrs SJMS Associates, Chartered Accountants served as the Auditors during the year under review. The Auditors do not have any interest in the Company other than as Auditors.

The fee payable to the Auditors for the year under review is Rs. 459,000.

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

Messrs Ernst & Young provided tax compliance services during the year under review and the fee payable therefor amounts to Rs 388,016.

The Auditors have expressed their willingness to continue in office. A resolution to re-appoint the Auditors and to authorise the Directors to determine their remuneration will be proposed at the Annual General Meeting.

Stated Capital

The Stated Capital of the Company is Rs 52,521,178 represented by 2,750,000 Ordinary Shares.

Major Shareholders, Distribution Schedule and Other Information

Information on the twenty (20) largest shareholders of the Company, the distribution schedule of shareholders, percentage of shares held by the public, market values per share as per the Listing Rules of the Colombo Stock Exchange are given on pages 48 and 49 under Shareholder Information.

Reserves

The movements of reserves during the year are given under the Statement of Changes in Equity on page 28.

Capital Expenditure

The total capital expenditure during the year was Rs 15,287,140 Details of movements in property, plant and equipment are given in Note 13 to the Financial Statements.

Land Holdings

The Company does not own any freehold land.

Financial Ratios

The Earnings Per Share and other financial ratios are given under the Performance Summary on page 50.

Dividend

The payment of a first and final dividend of Rs 5.50 per share as recommended by the Board of Directors will be proposed at the Annual General Meeting.

Donations

The Company did not make any donations during the year under review.

Events occurring after the Balance Sheet date

No material circumstances have arisen since the balance sheet date, which would require adjustment to, or disclosure in the Financial Statements.

Corporate Governance

The Board of Directors confirm that the Company is compliant with the Rules on Corporate Governance contained in the Listing Rules of the Colombo Stock Exchange.

Annual General Meeting

The Annual General Meeting will be held on 27th August 2015 at Ceylon Biscuits Limited at High Level Road, Makumbura, Pannipitiya.

The Notice of the Annual General Meeting appears on page 4.

Signed for and on behalf of the Board of Directors by

R S Wickramasingha
Chairman

E T De Zoysa
Managing Director

P W Corporate Secretarial (Pvt) Ltd
Secretaries

30th July 2015
Colombo

REMUNERATION COMMITTEE REPORT

Charter of the Remuneration Committee

The Remuneration Committee was set up to ensure that remuneration policies are enabling the hiring and retention of vital talent. Moreover, the Committee is tasked with establishing the remuneration policy for the Company as a whole.

The Remuneration Committee comprised of the following as at the year-end:

- Three Non-Executive Directors, two of whom are Independent.
- The Managing Director and the Senior Management, who attend meetings of the Committee as deemed necessary on invitation, submit relevant information and express their views to the Committee.

Responsibilities of the Remuneration Committee

- The functions of the committee include making recommendations to the Board on the ideal compensation packages in a transparent manner.
- Ensure no Director is involved in deciding his own pay package.
- Deciding on remuneration packages and extra benefits for the Executive Director and Key Management Personnel.

Remuneration Policy

A remuneration policy of the Company should be:

- Attractive and capable of retaining well qualified and knowledgeable employees.
- In line with industry standards and reward employees based on experience and quantifiable contribution to the Company's bottom line.

Remuneration Committee Meetings

The Committee meets to ensure two-way communication, comprehensive dialogue and resolution of issues. Meetings are held as often as required. Recommendations on compensation structures, bonuses, increments and matters concerning recruitment of key management personnel are made at the meetings. One of its other goals is to ensure that management and staff at all levels are adequately rewarded for their performance and commitment to the company's goal on a competitive basis.

Remuneration Packages

The cumulative amount paid to Directors' as remuneration during the year under review is recorded in Note 09 to the Financial Statements.

R S Wickramasingha
Chairman - Remuneration Committee

30th July 2015

AUDIT COMMITTEE REPORT

The Role and Responsibilities

The primary role of the Audit Committee is to assist the Board of Directors in fulfilling its duties by providing an independent review of the system of internal controls, the financial reporting system, the management of business risks, the Company's process for monitoring compliance with laws and regulations, the independence of the external audit and the internal audit function.

Audit Committee Composition and Meetings

The Audit Committee comprises of three (3) Non-executive Directors all of whom are independent. The members of the Audit Committee as at 31 March 2015 were Mr. Mahesh Nanayakkara (Chairman), Dr. D M A Kulasooriya (Member) and Mr. Udara Thilakawardana (Member).

During the financial year ended 31 March 2015, the Audit Committee held four(4) meetings. The members of the management attend the meetings upon invitation to brief the Audit Committee on specific issues. In addition the Audit Committee met with the external auditors M/S SJMS to ascertain the nature, scope and approach of the external audit and to review the financial statements and the management reports.

The Internal Audit Function

The Internal audit function of Convenience Foods (Lanka) PLC reports to the Audit Committee of CFL and to the Audit Committee of the CBL Group. The internal audit function is outsourced to M/S Ernst & Young with effect from 1st September 2013. The Internal audit function provides an independent and objective evaluation of adequacy, efficiency and effectiveness of the system of internal controls.

Key Activities of the Audit Committee during the Financial Year

- Ensuring that a good financial reporting system is in place and is well managed.
- Reviewed the internal audit reports on system of internal controls including IS/IT controls and the status of implementation of management action plans.
- Reviewed the results of the external audit report and management response to the issues highlighted.
- Reviewed the procedures in place for the identification, evaluation and management of business risks.
- Reviewed the extent of compliance with laws of the country, government regulations, listing rules and established policies of the Company.
- Assessing the independence of External Auditor and monitoring the External Audit Function.

Mahesh Nanayakkara
Chairman - Audit Committee

30th July 2015

FINANCIAL INFORMATION

INDEPENDENT AUDITOR'S REPORT

.SJMS.
ASSOCIATES
Independent Correspondent Firm to
Deloitte Touche Tohmatsu

SJMS Associates
Chartered Accountants
No. 02, Castle Lane,
Colombo 04, Sri Lanka.
Tel: +94(11) 2580409, 5444400
Fax: +94(11) 2582452

Restructure & Corporate Recovery
Tel: 5364293, 5444420 Fax: 5364295

E-mail: sjmsa@sjmsassociates.com
Website: www.sjmsassociates.lk

To the Shareholders of Convenience Foods (Lanka) PLC

Report on the financial statements

We have audited the accompanying financial statements of Convenience Foods (Lanka) PLC ("the Company"), which comprise the statement of financial position as at 31st March 2015, and the statement of comprehensive income, statement of changes in equity and, statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

Report on other legal and regulatory requirements

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

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

b) In our opinion:

- We have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company,

- The financial statements of the Company, comply with the requirements of section 151 of the Companies Act.

sjmsassociates

SJMS ASSOCIATES
Chartered Accountants

16th June 2015

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31st March	Note	Company 2014/2015 Rs.	Company 2013/2014 Rs.	Group 2014/2015 Rs.	Group 2013/2014 Rs.
Revenue	5	1,742,502,671	1,343,789,021	1,742,502,671	1,343,789,021
Cost of sales		(1,235,688,111)	(955,676,094)	(1,235,688,111)	(955,676,094)
Gross profit		506,814,561	388,112,927	506,814,561	388,112,927
Other income	6	13,561,664	11,510,815	13,561,664	11,510,815
Total gain on disposal of shares held by the trust	7	41,613,945	-	41,613,945	-
Distribution costs		(238,582,651)	(198,420,179)	(238,582,651)	(198,420,179)
Administrative expenses		(96,343,469)	(76,661,641)	(96,343,469)	(76,661,641)
Finance costs	8	(5,045,496)	(9,088,221)	(5,045,496)	(9,088,221)
Profit before tax	9	222,018,555	115,453,701	222,018,555	115,453,701
Income tax expense	10	(57,096,337)	(29,483,821)	(57,096,337)	(29,483,821)
Profit for the year		164,922,218	85,969,880	164,922,218	85,969,880
Other comprehensive income					
Increase in the value of the loan given to share trust		8,655,242	4,725,288	8,655,242	4,725,288
Transfer of available for sale reserve to the profit & loss upon derecognition		(33,030,758)	-	(33,030,758)	-
Actuarial loss on defined benefit plan, net of tax		(3,344,993)	(1,856,579)	(3,344,993)	(1,856,579)
Total other comprehensive income for the year		(27,720,510)	2,868,709	(27,720,510)	2,868,709
Total comprehensive income for the year		137,201,708	88,838,589	137,201,708	88,838,589
Profit attributable to:					
Equity holders of the parent		164,922,218	85,969,880	164,922,218	85,969,880
Non-controlling interest		-	-	-	-
		164,922,218	85,969,880	164,922,218	85,969,880
Total comprehensive income attributable to:					
Equity holders of the parent		137,201,708	88,838,589	137,201,708	88,838,589
Non-controlling interest	-	-	-	-	
		137,201,708	88,838,589	137,201,708	88,838,589
Earnings per share - basic	11	59.97	31.26	59.97	31.26
Dividend per share	12	3.00	1.50	3.00	1.50

The accounting policies and notes from 1 to 35 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As at	Note	Company 31.03.2015 Rs.	Company 31.03.2014 Rs.	Group 31.03.2015 Rs.	Group 31.03.2014 Rs.
Assets					
Non current assets					
Property, plant and equipment	13	274,349,842	267,337,592	274,349,842	267,337,592
Capital work-in progress	14	-	2,554,917	-	2,554,917
Leasehold land	15	5,353,072	5,428,467	5,353,072	5,428,467
Intangible asset	16	1,049,056	-	1,049,056	-
Investment in subsidiary	17	20	20	-	-
Other financial assets	18	-	25,761,572	-	25,761,572
Deferred tax asset	19	-	19,529,842	-	19,529,842
Total non current assets		280,751,990	320,612,410	280,751,970	320,612,390
Current assets					
Inventories	20	118,908,502	103,913,855	118,908,502	103,913,855
Trade receivables	21	204,754,138	183,426,839	204,754,138	183,426,839
Other receivables		41,564,334	11,027,754	41,564,334	11,027,754
Amounts due from related party	22	-	1,948,035	-	1,948,035
Income tax receivable	28	-	10,753,839	-	10,753,839
Short term investments		255,902,549	74,380,532	255,902,549	74,380,532
Cash in hand and at bank	23	1,759,880	2,726,297	1,759,880	2,726,297
Total current assets		622,889,404	388,177,152	622,889,404	388,177,152
Total assets		903,641,394	708,789,562	903,641,374	708,789,542
Equity and liabilities					
Equity attributable to equity - holders of the parent					
Stated capital	24	52,521,178	52,521,178	52,521,178	52,521,178
Available for sale reserve	18	-	24,375,517	-	24,375,517
Retained earnings		522,488,399	369,161,173	522,268,688	368,941,463
Total equity		575,009,577	446,057,868	574,789,866	445,838,157
Liabilities					
Non current liabilities					
Deferred tax liabilities	19	1,061,104	-	1,061,104	-
Interest bearing borrowing	25	19,259,238	37,037,022	19,259,238	37,037,022
Retirement benefit obligations	26	44,584,186	35,211,410	44,584,186	35,211,410
Total non current liabilities		64,904,528	72,248,432	64,904,528	72,248,432
Current liabilities					
Trade payables	27	135,046,499	75,246,236	135,046,499	75,246,236
Interest bearing borrowing	25	17,777,784	17,777,784	17,777,784	17,777,784
Income tax payable	28	16,421,644	-	16,421,644	-
Amounts due to related party	29	348,947	8,229,455	-	7,880,508
Other payables		22,557,705	15,727,377	23,126,343	16,296,017
Accrued charges		50,416,803	37,366,172	50,416,803	37,366,170
Bank overdraft	30	21,157,908	36,136,238	21,157,908	36,136,238
Total current liabilities		263,727,290	190,483,262	263,946,981	190,702,954
Total liabilities		328,631,818	262,731,694	328,851,509	262,951,385
Total equity and liabilities		903,641,394	708,789,562	903,641,374	708,789,542
Net assets value per share		209.09	162.20	209.01	162.12

I certify that these financial statements comply with the requirements of the Companies Act No. 07 of 2007.

Chathura Wickramatileka
Finance Manager

The Board of Directors is responsible for the preparation and presentation of these financial statements. Signed for and on behalf of the Board:

M.P. Wickramasingha
Chairman

16th June 2015

E.T. De Zoysa
Managing Director

16th June 2015

The accounting policies and notes from 1 to 35 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

Year ended 31st March 2015 Company	Stated capital Rs.	Available for sale reserve Rs.	Retained earnings Rs.	Total Rs.
Balance as at 31st March 2013	52,521,178	19,650,228	289,172,873	361,344,279
Profit for the year	-	-	85,969,880	85,969,880
Other comprehensive income				
Change in fair value of share trust	-	4,725,288	-	4,725,288
Actuarial loss on defined benefit plan	-	-	(1,856,579)	(1,856,579)
Dividend for the year 2012/2013	-	-	(4,125,000)	(4,125,000)
Balance as at 31st March 2014	52,521,178	24,375,517	369,161,173	446,057,868
Profit for the year	-	-	164,922,218	164,922,218
Other comprehensive income				
Change in fair value of share trust	-	8,655,242	-	8,655,242
Actuarial loss on defined benefit plan	-	-	(3,344,993)	(3,344,993)
Transfer of available for sale reserve to the profit & loss upon derecognition	-	(33,030,758)	-	(33,030,758)
Dividend for the year 2013/2014	-	-	(8,250,000)	(8,250,000)
Balance as at 31st March 2015	52,521,178	-	522,488,399	575,009,577

Group	Stated capital Rs.	Available for sale reserve Rs.	Retained earnings Rs.	Total Rs.
Balance as at 31st March 2013	52,521,178	19,650,228	288,953,161	361,124,567
Profit for the year	-	-	85,969,880	85,969,880
Other comprehensive income				
Change of the fair value of the loan given to the trust	-	4,725,288	-	4,725,288
Actuarial loss on defined benefit plan	-	-	(1,856,579)	(1,856,579)
Dividend for the year 2012/2013	-	-	(4,125,000)	(4,125,000)
Balance as at 31st March 2014	52,521,178	24,375,516	368,941,463	445,838,157
Profit for the year	-	-	164,922,218	164,922,218
Other comprehensive income				
Change in fair value of share trust	-	8,655,242	-	8,655,242
Actuarial loss on defined benefit plan	-	-	(3,344,993)	(3,344,993)
Transfer of available for sale reserve to the profit & loss upon derecognition	-	(33,030,758)	-	(33,030,758)
Dividend for the year 2013/2014	-	-	(8,250,000)	(8,250,000)
Balance as at 31st March 2015	52,521,178	-	522,268,688	574,789,866

The accounting policies and notes from 1 to 35 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

Year ended 31st March	Company 2014/2015 Rs.	Company 2013/2014 Rs.	Group 2014/2015 Rs.	Group 2013/2014 Rs.
Cash flows from operating activities				
Profit before taxation	222,018,555	115,453,701	222,018,555	115,453,701
Adjustments for:				
Depreciation	32,886,424	31,121,918	32,886,424	31,121,918
Amortisation	75,395	69,596	75,395	69,596
Interest income	(6,811,198)	(6,476,520)	(6,811,198)	(6,476,520)
Profit on disposal of assets	(115,994)	(12,568)	(115,994)	(12,568)
Interest expense	4,608,698	8,729,951	4,608,698	8,729,951
Provision for gratuity	7,248,459	5,629,695	7,248,459	5,629,695
Profit on disposal other financial asset	(41,613,945)	-	(41,613,945)	-
Operating profit before working capital changes	218,296,395	154,515,773	218,296,395	154,515,773
(Increase)/decrease in inventories	(14,994,647)	(7,103,901)	(14,994,647)	(7,103,901)
(Increase)/decrease in trade receivables	(21,327,299)	(34,588,851)	(21,327,299)	(34,588,851)
(Increase)/decrease in other receivables	(30,536,580)	6,861,578	(30,536,580)	6,861,578
(Increase)/decrease in amount due from related party	1,948,035	136,524	1,948,035	136,524
Increase/(decrease) in amount due to related party	(7,880,508)	6,929,708	(7,880,508)	6,929,708
Increase/(decrease) in trade payables	59,800,263	(55,496,943)	59,800,263	(55,496,943)
Increase/(decrease) in other payables	6,830,327	3,943,530	6,830,327	4,082,995
Increase/(decrease) in accrued charges	13,050,631	6,125,120	13,050,631	5,985,657
Cash flow generated from operations	225,186,616	81,322,537	225,186,616	81,322,538
Gratuity paid	(715,583)	(1,522,425)	(715,583)	(1,522,425)
Tax paid	(9,835,000)	(3,881,774)	(9,835,000)	(3,881,774)
Net cash flow generated from operations	214,636,033	75,918,339	214,636,033	75,918,340
Cash flows from investing activities				
Purchase of property, plant & equipment	(36,425,592)	(22,623,235)	(36,425,592)	(22,623,235)
Investment in capital work-in progress	(1,967,220)	(2,554,917)	(1,967,220)	(2,554,917)
Proceeds from disposal of assets	115,994	29,500	115,994	29,500
Interest received	6,811,198	6,476,521	6,811,198	6,476,521
Increase in short term investment	(181,522,017)	(38,251,069)	(181,522,017)	(38,251,069)
Net cash flow used in investing activities	(212,987,637)	(56,923,200)	(212,987,637)	(56,923,200)
Cash flows from financing activities				
Proceed from disposal of other financial asset	43,000,000	-	43,000,000	-
Borrowing repayment	(17,777,784)	(17,777,784)	(17,777,784)	(17,777,784)
Interest paid	(4,608,698)	(8,729,951)	(4,608,698)	(8,729,951)
Dividends paid	(8,250,000)	(4,050,444)	(8,250,000)	(4,050,444)
Net cash generated from /(used in) financing activities	12,363,518	(30,558,179)	12,363,518	(30,558,179)
Net increase/ (decrease) in cash & cash equivalents	14,011,914	(11,563,041)	14,011,914	(11,563,041)
Cash & Cash Equivalents at the beginning of the year	(33,409,941)	(21,846,900)	(33,409,941)	(21,846,900)
Cash & Cash Equivalents at the end of the year	(19,398,027)	(33,409,941)	(19,398,027)	(33,409,941)
Cash & Cash Equivalents at the end of the year				
Cash in hand and at bank	1,759,880	2,726,297	1,759,880	2,726,297
Bank overdraft	(21,157,908)	(36,136,238)	(21,157,908)	(36,136,238)
	(19,398,027)	(33,409,941)	(19,398,027)	(33,409,941)

The accounting policies and notes from 1 to 35 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31st March 2015

1. CORPORATE INFORMATION

1.1 General

Convenience Foods (Lanka) PLC ("The Company') is a public limited liability company incorporated and domiciled in Sri Lanka and listed in the Colombo Stock Exchange. The registered office of the company is located at High Level Road, Makumbura, Pannipitiya and the principal place of business is situated at No. 133, Sir John KotelawalaMawatha, Kandawala, Ratmalana. The consolidated financial statements of Convenience Foods (Lanka) PLC for the year ended 31st March 2015 comprises the company and its subsidiary (together referred to as the "group").

1.2 Principal activities and nature of operations

The company is engaged in the manufacture and marketing of Textured Vegetable Protein (TVP) and other food products.

1.3 Parent company

The company's parent undertaking is Ceylon Biscuits Ltd. In the opinion of the Directors, the company's ultimate parent undertaking and controlling party is also Ceylon Biscuits Ltd, which is incorporated in Sri Lanka.

1.4 Date of authorization for issue

The financial Statements of group for the year ended 31st March 2015 were authorized for issue under a resolution of the board of directors on 16th June 2015.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements of the group (statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows together with accounting policies and notes) are prepared in accordance with Sri Lanka Accounting Standards (LKASs and SLFRSs) as issued by The Institute of Chartered Accountants of Sri Lanka and in compliance with the requirements of the Companies Act No.07 of 2007.

2.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and its subsidiary. Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to benefit from its activities.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

The following companies have been consolidated:
Convenience Foods (Lanka) PLC - Parent
Soy Products (Pvt) Ltd - Subsidiary

Subsidiary is the enterprise controlled by the parent. The financial statements of the subsidiary are included in the consolidated financial statements from the date on which control is effectively transferred to the company until the date that control effectively ceases.

Control exists when the parent has the power, directly or indirectly to govern the financial and operating policies of an enterprise.

However, the subsidiary had not carried out any operations during the year.

2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except in respect of the following material items in the statement of financial position:

- available for sale financial assets are measured at fair value
- liability of defined benefit obligation is recognised as the present value of the defined benefit obligation

2.4 Functional and presentation currency

The financial statements are presented in Sri Lankan Rupees, which is the group's functional currency and presentation currency. All financial information presented in Sri Lanka Rupees is rounded to the nearest rupee unless otherwise stated.

2.5 Comparative information

The accounting policies have been consistently applied by the group with those of the previous financial year in accordance with LKAS 01 - presentation of financial statements.

2.6 Materiality & aggregation

In compliance with LKAS 01 on presentation of financial statements, each material class of similar items is presented separately in the financial statements. Items of dissimilar nature or functions too are presented separately, if they are material.

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position, only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously. Income and expenses are not off-set in the income statement unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the accounting policies.

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires the application of certain critical accounting assumptions relating to the future. Further, it requires the management of the company to make judgments, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability in future periods. Hence, actual experience and results may differ from these judgments and estimates.

In the process of applying the company's accounting policies, management has made the following judgments, estimates and assumptions which have the most significant effect on the amounts recognised in the financial statements:

a) Taxation

The company is subject to income taxes and other taxes including value added taxation and nations building tax. Significant judgment was required to determine the total provision for current, deferred and other taxes pending the issue of tax guidelines on the treatment of the adoption of SLFRS in the financial statements and the taxable profit for the purpose of imposition of taxes. Uncertainties exist, with respect to the interpretation of the applicability of tax laws, at the time of the preparation of these financial statements.

The company recognised assets and liabilities for current, deferred and other taxes based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income, deferred and tax amounts in the period in which the determination is made.

b) Useful life-time of the property, plant and equipment

The company reviews the residual values, useful lives and methods of depreciation of assets as at each reporting date. Judgment of the management is exercised in the estimation of these values, rates, methods and hence they are subject to uncertainty.

c) Going concern

The Directors have made an assessment of the company's ability to continue as a going concern and are satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, the board is not aware of any material uncertainties that may cast significant doubt upon the company's ability to continue as a going concern and they do not intend either to liquidate or to cease operations of the company. Therefore, the financial statements continue to be prepared on the going concern basis.

d) Impairment losses on financial assets

The group assesses at each reporting date or more frequently to determine whether there is any objective evidence whether an impairment loss should be recorded in the statement of comprehensive income.

e) Impairment of available for sale investments

The company reviews its loan given to the share trust classified as available for sale investments at each reporting date to assess whether they are impaired. This requires similar judgment as applied on the individual assessment of loans and advances.

f) Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and tax credits to the extent it is probable that taxable profits will be available against which these losses/credits can be utilised. Significant management judgments are required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and level of future taxable profits together with future tax planning strategies.

g) Defined benefit plans

The cost of defined benefit plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future.

These include the determination of the discount rate, future salary increases, mortality rates, etc. Due to the complexity of the valuation, the underlying assumptions and their long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the yield of Sri Lanka Government bonds with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables. Future salary increases are based on expected future inflation rates and expected future salary increase rate of the company.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the company in preparation of its financial statements are included below. The accounting policies set out below have been applied consistently to all periods presented in these financial statements unless otherwise is indicated.

4.1 Foreign currency transactions and balances

All foreign currency transactions are translated into the functional currency, which is Sri Lanka rupees, using the exchange rates prevailing at the dates of the transactions was affected.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Sri Lanka rupees using the spot foreign exchange rate as at the date and all differences arising in non-trading activities are taken to "other income" in the statement of comprehensive income.

4.2 Revenue recognition

4.2.1 Sale of goods

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable net of trade discounts and sales taxes.

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

a) The company has transferred significant risks and rewards of ownership of the goods to the buyer.

b) The company retaining, neither a continuing managerial involvement to the degree usually associated with ownership nor an effective control over the goods sold.

c) The amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the entity; and

d) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

4.2.2 Interest income

Interest income is recognised using the Effective Interest Rate (EIR) method.

4.2.3 Dividend income

Dividend income is recognised in the statement of comprehensive income on an accrual basis when the company's right to receive the dividend is established.

4.2.4 Other income

Other income is recognised on an accrual basis.

4.3 Expenditure recognition

Expenses are recognised in the income statement on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in running the business and in maintaining property, plant and equipment in a state of efficiency has been charged to the statement of comprehensive income.

For the purpose of presentation of the income statement, the "function of expenses" method has been adopted, on the basis that it presents fairly the elements of the company's performance.

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of comprehensive income.

4.4 Taxation

4.4.1 Current tax

Current tax assets and liabilities consist of amounts expected to be recovered from or paid to the Commissioner General of Inland Revenue in respect of the current year and any adjustment to tax payable in respect of prior years. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted as at the reporting date.

4.4.2 Deferred tax

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

Deferred tax assets are recognised for all deductible differences. Carrying forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and the carrying forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of a deferred tax asset is reviewed at each reporting date and reduced to the extent it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Un-recognised deferred tax assets are re-assessed at each statement of financial position date and are recognised to the extent that it is probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rate that are expected to apply in the year when the assets are realised or the liabilities are settled, based on tax rates and tax laws that have been enacted or subsequently enacted at the reporting date.

4.5 Non-financial asset

4.5.1 Property, plant and equipment

Recognition and measurement

Property, plant & equipment are recognised if it is probable that future economic benefits associated with the asset will flow to the entity and the cost of the asset can be measured reliably in accordance with LKAS 16 - property, plant & equipment. Initially property, plant and equipment are measured at cost.

Cost model

Property, plant and equipment is stated at cost, excluding the costs of day–to–day servicing, less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of replacing part of the equipment when that cost is incurred, if the recognition criteria are met.

Subsequent cost

Subsequent expenditure incurred for the purpose of acquiring, extending, or improving assets of a permanent nature by means of which to carry on the business or to increase the earning capacity of the business is treated as capital expenditure and such expenses are recognised in the carrying amount of an asset. The costs associated with day-to-day servicing of property, plant and equipment is recognised in the statement of comprehensive income as incurred.

Depreciation

Depreciation is calculated using the straight–line method to write down the cost of property, plant and equipment to their residual values over their estimated useful lives. Depreciation is charged from the date of purchase to the date of disposal on pro-rata basis. Land is not depreciated.

The rates of depreciations based on the estimated useful lives are as follows:

Category of asset	Depreciation rate (%)
Building	4
Machinery	12.5
Tools & Equipment	15
Motor Vehicles	25
Furniture & Fittings	20
Electrical Installations	15
Office Equipment	15
Computers	25

The asset's residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

De-recognition

Property, plant and equipment is de-recognised on disposal or when no future economic benefits are expected from their use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in 'other operating income' in the statement of comprehensive income in the year the asset is de-recognised.

4.5.2 Impairment of non–financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount.

4.6 Operating leases

Leases where the lessor effectively retains substantially all the risk and benefits of ownership over the leased term are classified as operating leases. Operating lease payments are recognised as an expense on a straight-line basis over the lease term or on a basis which is more representative of the time pattern in which economic benefits from the leased asset are consumed.

4.7 Leasehold property

Assets held under finance leases are initially recognised as assets of the company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the company's general policy on borrowing costs.

4.8 Investment in subsidiary

In the Company's financial statements, the investment in subsidiary is treated as a long term investment and stated at cost. The cost of investment is the cost of acquisition inclusive of brokerage and costs of transaction.

4.9 Inventories

Inventories are valued at the lower of cost and Net Realisable Value (NRV). NRV is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale. Costs incurred in bringing inventories to their present conditions and locations are determined as follows:

Raw Materials and Consumables	-	At actual cost on weighted average basis.
Finished Goods	-	At actual cost of direct materials, direct labour and an appropriate proportion of fixed production overheads based on normal operating capacity.
Spares & Accessories	-	At actual cost.
Goods in Transit	-	At actual cost

4.10 Financial assets - recognition and measurement

4.10.1 Initial recognition

All financial assets are initially recognised on the trade date, i.e., the date that the company becomes a party to the contractual provisions of the instrument. This includes 'regular way trades': purchases or sales of financial assets that require delivery of assets within the time-frame generally established by regulation or convention in the market place.

4.10.2 Initial measurement

The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention in acquiring them. All financial instruments are measured initially at their fair value including transaction costs, except in the case of financial assets and financial liabilities recorded at fair value through profit or loss.

4.10.3 Subsequent measurement

The Company subsequently measures non-derivative financial assets categorising them in to the categories of financial assets at fair value through profit or loss, held-to maturity investments, loans and receivables and available-for-sale financial assets.

i. Financial assets at Fair Value Through Profit or Loss (FVTPL)

A financial asset is classified as fair value through profit or loss if it is held for trading or is designated at fair value through profit or loss.

ii. Held-to-maturity financial investments

Held-to-maturity financial investments are non–derivative financial assets with fixed or determinable payments and fixed maturities, which the company has the intention and ability to hold to maturity. Subsequent to initial measurement, held to maturity financial investments are measured at amortised cost using the Effective Interest Rate (EIR), less impairment.

iii. Loans and receivables

Loans and receivables include non– derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than:

- Those that the company intends to sell immediately or in the near term and those that the Company, upon initial recognition, designates as at fair value through profit or loss
- Those that the company, upon initial recognition, designates as available for sale
- Those for which the company may not recover substantially all of its initial investment, other than because of credit deterioration

After initial measurement, loans and receivables are subsequently measured at amortised cost using the EIR method less allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of the EIR. The amortisation is included in 'interest income' in the statement of comprehensive income. The losses arising from impairment are recognised in the statement of comprehensive income in 'impairment gain/ (loss) on loans and receivables'.

iv. Available-for-sale financial investments

Available-for-sale investments include loan given to the employee's share trust fund. Available for sale are those which are neither classified as held for trading nor designated at fair value through profit or loss. The company has not designated any loans or receivables as available-for-sale.

After initial measurement, available-for-sale financial investments are measured at fair value. Unrealised gains and losses are recognised directly in equity (other comprehensive income) in the "available-for-sale reserve". When the investment is disposed of, the cumulative gain or loss previously recognised in equity is recognised in the statement of comprehensive income in other operating income.

4.10.4 Reclassification of financial assets
The company may re-classify non-derivative financial assets other than those designated at FVTPL upon initial recognition, in certain circumstances:

- Out of the held-for-trading category and into the available for sale, loans and receivables, or held-to-maturity categories.
- Out of the 'available-for-sale' category and into the 'loans and receivables', 'held for trading category' or 'held-to-maturity'. Reclassifications are recorded at fair value at the date of reclassification, which becomes the new amortised cost. For a financial asset re-classified out of the 'available-for-sale' category, any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the EIR. Any difference between the new amortised cost and the expected cash flows is also amortised over the remaining life of the asset using the EIR. If the asset is subsequently determined to be impaired, then the amount recorded in equity is recycled to the statement of comprehensive income.
- Out of the 'held-for-trading' category and into the 'loans and receivables' category if it meets the definition of loans and receivables and the Company has the intention and ability to hold the financial asset for the foreseeable future or until maturity. If a financial asset is re-classified, and if the Company subsequently increases its estimates of future cash receipts as a result of increased recoverability of those cash receipts, the effect of that increase are recognised as an adjustment to the EIR from the date of the change in estimate.

  Re-classification is at the election of the management, and is determined on an instrument by instrument basis.

4.10.5 De-recognition of financial assets
A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is de-recognised when:

- The rights to receive cash flows from the asset have expired.
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement and either:
- The company has transferred substantially all the risks and rewards of the asset or
- The company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass–through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the company's continuing involvement in the asset. In that case, the company also recognises man associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

4.10.6 Identification, measurement and assessment of impairment
At each reporting date the company assesses whether there is objective evidence that financial assets not carried at fair value through profit or loss are impaired. A financial asset or a group of financial assets is impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset(s), and that the loss event has an impact on the future cash flows of the asset(s) that can be estimated reliably.

The company writes off loans and advances and investment securities when they are determined to be unrecoverable.

4.11 Cash and bank balances
Cash and bank balances are defined as cash-in-hand and balances with banks.

For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand and deposits in banks net of outstanding bank overdrafts. Investments with short maturities i.e. three months or less from the date of acquisition are also treated as cash equivalents.

4.12 Stated capital
Ordinary shares are classified as equity. The equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments.

4.13 Retirement benefit obligations
4.13.1 Defined benefit plan – gratuity
The company is liable to pay gratuity in terms of the Payment of Gratuity Act No. 12 of 1983, according to which an obligation to pay gratuity arises only on completion of 5 years of continued service. The company's obligations under that the said Act is determined based on an actuarial valuation, using the projected unit credit method, carried out by a professional actuary.

The company recognises the total actuarial gains and losses that arise in calculating the Company's obligation in respect of the plan in Other Comprehensive Income during the period in which it occurs.

4.13.2 Defined contribution plan
A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive

obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of comprehensive income as in the periods during which services are rendered by employees.

a. Employees' Provident Fund

The company and employees contribute 12% and 8% respectively on the salary of each employee to the approved Provident Fund.

b. Employees' Trust Fund

The company contributes 3% of the salary of each employee to the Employees' Trust Fund.

4.14 Financial liabilities

4.14.1 Initial recognition and measurement

The company classifies financial liabilities in to financial liabilities at Fair Value through Profit or Loss (FVTPL) or other financial liabilities in accordance with the substance of the contractual arrangement and the definitions of financial liabilities.

The company recognises financial liabilities in the statement of financial position when the company becomes a party to the contractual provisions of the financial liability.

i. Financial liability at FVTPL

Financial liabilities at FVTPL include financial liabilities held-for-trading or designated as such upon initial recognition. Subsequent to initial recognition, financial liabilities at FVTPL are measured at fair value, and changes there in recognised in profit or loss.

Upon initial recognition, transaction cost are directly attributable to the acquisition are recognised in profit or loss as incurred. The criteria for designation of financial liabilities at FVTPL upon initial recognition are the same as those of financial assets at FVTPL.

ii. Other financial liabilities

Other financial liabilities including deposits, debt issued by the Company and the other borrowed funds are initially measured at fair value less transaction cost that are directly attributable to the acquisition and subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on the issue and costs that are an integral part of the EIR.

4.14.2 De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

4.15 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

4.16 Cash flow statement

The cash flow statement has been prepared using the indirect method, as stipulated in LKAS 7- statement of cash flows. Cash and cash equivalents comprise of cash in hand, cash at bank and bank overdrafts.

4.17 Segmental information

A Segment is a distinguishable component engaged in providing services and that is subject to risks and returns that are different to those of other segments. The company does not have distinguishable components to be identified as a segment as all operations are treated as one segment.

4.18 Adoption of new Sri Lanka Accounting Standards

The following Sri Lanka Accounting Standard was issued by the Institute of Chartered Accountants of Sri Lanka and was effective for the periods commencing on or after 01st January 2014.

SLFRS 13-Fair Value Measurement

SLFRS 13 establishes a single source of guidance for all fair value measurements. SLFRS 13 does not change when an entity is required to use fair value, but rather provides the guidance how to measure fair value under other standards when fair value is required or permitted. The Bank did not have any material impact from the implementation of SLFRS 13 and necessary disclosures required by the new standard have been included in the notes to the financial statements.

The following Sri Lanka Accounting Standards issued by the Institute of Chartered Accountants of Sri Lanka, which was effective for the periods commencing on or after 01st January 2014 did not have any impact on the Bank's financial statements

SLFRS 10-Consolidated Financial Statements
SLFRS 11-Interests in Joint Arrangements
SLFRS 12-Disclosure of Interests in Other Entities

4.19 New Accounting Standards issued but not yet effective

The Institute of Chartered Accountants of Sri Lanka has issued the following new Accounting Standards that have an effective date in the future and have not yet been applied in preparing the financial statements for the year ended 31st December 2014. Pending a detailed review, the financial impact is not reasonably estimated as at the date of publication of these financial statements.

- SLFRS 9 - Financial instruments: classification and measurement
- SLFRS 14 - Regulatory Deferral Accounts
- SLFRS 15 - Revenue from Contracts with Customers

Year ended 31st March 2015	Company 2014/2015 Rs.	Company 2013/2014 Rs.	Group 2014/2015 Rs.	Group 2013/2014 Rs.
5. Revenue				
Sales	1,774,539,219	1,360,253,889	1,774,539,219	1,360,253,889
Sales return	(32,036,548)	(16,464,868)	(32,036,548)	(16,464,868)
	1,742,502,671	1,343,789,021	1,742,502,671	1,343,789,021
6. Other income				
Interest income	6,811,198	6,476,520	6,811,198	6,476,520
Exchange gain	-	4,721	-	4,721
Scrap sales	7,349,599	4,936,953	7,349,599	4,936,953
Bad debt write back	-	80,053	-	80,053
Profit on disposal of assets	115,994	12,568	115,994	12,568
Other revenue	(715,126)	-	(715,126)	-
	13,561,664	11,510,815	13,561,664	11,510,815
7. Total gain on disposal of shares held by the trust				
Transfer from AFS reserve to profit & loss upon derecognition	33,030,758	-	33,030,758	-
Gain on disposal of shares held by the trust	8,583,187	-	8,583,187	-
	41,613,945	-	41,613,945	-
8. Finance costs				
Bank charges	436,798	358,270	436,798	358,270
Overdraft interest	211,581	178,252	211,581	178,252
Loan interest	4,397,117	8,551,699	4,397,117	8,551,699
	5,045,496	9,088,221	5,045,496	9,088,221
9. Profit before tax				
Profit for the year is stated after charging all expenses including the following:				
Directors remuneration	2,072,500	8,225,193	2,072,500	8,225,193
Staff costs	165,399,260	154,045,243	165,399,260	154,045,243
Contributions to Employees' Provident Fund	9,584,140	7,377,174	9,584,140	7,377,174
Contributions to Employees' Trust Fund	2,378,724	1,872,443	2,378,724	1,872,443
Defined benefit plan contribution	7,248,459	5,629,695	7,248,459	5,629,695
Depreciation	32,774,969	31,121,918	32,774,969	31,121,918
Auditor's remuneration	459,000	370,780	459,000	370,780
Research & development expenses	-	313,924	-	313,924

Year ended 31st March 2015	Company		Group	
	2014/2015	2013/2014	2014/2015	2013/2014
	Rs.	Rs.	Rs.	Rs.

10. Tax expenses

Current tax (Note 10.1)	37,010,484	14,490,695	37,010,484	14,490,695
Deferred tax (Note 19.1)	20,085,853	14,993,126	20,085,853	14,993,126
	57,096,337	29,483,821	57,096,337	29,483,821

10.1 Reconciliation between current tax expense/ (income) and the accounting profit

Accounting profit as per draft tax computation	222,018,555	115,453,701	222,018,555	115,453,701
Tax at the applicable tax rate of 28%	62,165,195	32,327,036	62,165,195	32,327,036
Tax effect on disallowable expenses	19,491,475	14,441,599	19,491,475	14,441,599
Tax effect on allowable expenses	(28,927,851)	(16,559,605)	(28,927,851)	(16,559,605)
Tax effect on investment allowance	(15,718,336)	(15,718,336)	(15,718,336)	(15,718,336)
Income tax for the year	37,010,484	14,490,695	37,010,484	14,490,695
Statutory tax rate	28%	28%	28%	28%
Effective tax rate	17%	13%	17%	13%

11. Earnings per share - basic/diluted

Basic earnings per share is calculated by dividing the profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the year.

Amount used as the numerator				
Profit after tax attributable to ordinary shareholders	164,922,218	85,969,880	164,922,218	85,969,880
Amount used as the denominator				
Weighted average number of ordinary shares in issue	2,750,000	2,750,000	2,750,000	2,750,000

12. Dividend per share

First and final dividends	8,250,000	4,125,000	8,250,000	4,125,000
Number of ordinary shares	2,750,000	2,750,000	2,750,000	2,750,000
Dividend per share	3.00	1.50	3.00	1.50

* The previous year's final dividend was paid in the financial year 2014/15

Cost	Buildings Rs.	Machinery Rs.	Furniture fittings and office equipment Rs.	Motor vehicle Rs.	Installations, tools and equipment Rs.	Total Rs.

13. Property, plant & equipment

	Buildings Rs.	Machinery Rs.	Furniture fittings and office equipment Rs.	Motor vehicle Rs.	Installations, tools and equipment Rs.	Total Rs.
Company / Group						
Balance at 1st April 2013	180,014,369	137,229,482	16,894,488	24,739,205	23,793,736	382,671,280
Additions during the year	13,319,920	4,203,073	1,900,660	-	3,199,582	22,623,235
Disposal during the year	-	-	(29,500)	-	-	(29,500)
Balance at 31st March 2014	193,334,289	141,432,556	18,765,648	24,739,205	26,993,318	405,265,016
Additions during the year	6,714,229	2,216,843	10,507,707	14,748,548	1,980,581	36,167,908
Transferred from capital working progress	2,158,399	465,000	1,026,344	218,717	-	3,868,460
Transfer to intangible asset	-	-	(421,686)	-	-	(421,686)
Disposal during the year	-	-	-	(309,400)	-	(309,400)
Balance at 31st March 2015	202,206,916	144,114,399	29,878,013	39,397,071	28,973,900	444,570,298
Accumulated depreciation						
Balance at 1st April 2013	20,485,523	52,158,111	11,984,508	11,381,439	10,808,493	106,818,074
Disposals during the year	-	-	(12,568)	-	-	(12,568)
Charge for the year	7,447,852	13,549,838	1,898,258	5,405,880	2,820,089	31,121,918
Balance at 31st March 2014	27,933,376	65,707,949	13,870,198	16,787,319	13,628,582	137,927,424
Disposals during the year	-	-	-	(309,400)	-	(309,400)
Transfer to intangible asset	-	-	(172,538)	-	-	(172,538)
Charge for the year	7,924,098	13,500,038	2,274,049	5,849,882	3,226,902	32,774,969
Balance at 31st March 2015	35,857,474	79,207,987	15,971,710	22,327,801	16,855,485	170,220,456
Written down value						
Balance at 31st March 2015	166,349,443	64,906,412	13,906,302	17,069,270	12,118,415	274,349,842
Balance at 31 March 2014	165,400,913	75,724,607	4,895,449	7,951,886	13,364,736	267,337,592

	Company		Group	
	31.03.2015 Rs.	31.03.2014 Rs.	31.03.2015 Rs.	31.03.2014 Rs.

14. Capital work -in progress

	Company 31.03.2015 Rs.	Company 31.03.2014 Rs.	Group 31.03.2015 Rs.	Group 31.03.2014 Rs.
Balance at the beginning of the year	2,554,917	-	2,554,917	-
Additions during the year	1,967,220	2,554,917	1,967,220	2,554,917
Transferred to property, plant and equipment	(3,868,460)	-	(3,868,460)	-
Transferred to intangible asset	(653,677)	-	(653,677)	-
Balance at the end of the year	-	2,554,917	-	2,554,917

15. Leasehold land

	Company 31.03.2015 Rs.	Company 31.03.2014 Rs.	Group 31.03.2015 Rs.	Group 31.03.2014 Rs.
Cost	6,643,989	6,643,989	6,643,989	6,643,989
Accumulated amortisation	(1,290,917)	(1,215,522)	(1,290,917)	(1,215,522)
Balance at the end of the year	5,353,072	5,428,467	5,353,072	5,428,467

The details of the leasehold land are as follows.

Property	Lessor	Lease period
No. 133, Sir John Kotelawala Mawatha Kandawala, Ratmalana	Urban Development Authority	99 Years commencing from 23rd March 1994

	Company		Group	
	31.03.2015 Rs.	31.03.2014 Rs.	31.03.2015 Rs.	31.03.2014 Rs.

16. Intangible assets

Opening balance	-	-	-	-
Transferred from capital working progress	653,677	-	653,677	-
Transferred from property plant and equipment	421,685	-	421,685	-
Additions during the year	257,686	-	257,686	-
Accumulated amortisation	(283,992)	-	(283,992)	-
Balance at the end of the year	1,049,056	-	1,049,056	-

17. Investment in subsidiary

Unquoted investments

	Holding %	Number of shares	31.03.2015 Rs.	31.03.2014 Rs.
Soy Products (Pvt) Ltd.	100	2	20	20

The subsidiary has not carried out any operations during the year under review.

	Company		Group	
	31.03.2015 Rs.	31.03.2014 Rs.	31.03.2015 Rs.	31.03.2014 Rs.

18. Other financial assets

Employee's share trust fund at cost	1,386,055	1,386,055	1,386,055	1,386,055
Adjustment for fair value	33,030,758	24,375,517	33,030,758	24,375,517
Disposals during the year	(34,416,813)	-	(34,416,813)	-
Employee's share trust fund at fair value	-	25,761,572	-	25,761,572

An employee share trust was established with a view to benefit the employees of the company including any directors of the company holding salaried employment or office in the company by way of distributing the income, profits, dividends and benefits arising there from. On 25th February 1992 and 25th June 1993, 168,004 number of shares from the issued share capital of the company were purchased for the trust by "Vanik Corporate Services Limited". (formerly known as Forbes Financial Services (Private) Limited), the custodian trustee, at a cost of Rs. 1,386,055.00. From 27th July 2011 onwards, the Board has resolved to transfer this trust to the partners of D.H.P Munaweera & Company from the present trustee. The loan given to employee's share trust funds were categorised as "available for sale" financial assets. This financial asset is measured at fair value. The Board of Directors have determined the fair value on the basis of "net asset value" per share (excluding AFS reserve).

During the year the shares held by the trust were sold and the company recognised the gain on disposal of shares held by trust. The provision for Income tax excludes taxes on the profit from disposal of shares from the share trust as it has already been taxed at the source.

	Company		Group	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
	Rs.	Rs.	Rs.	Rs.
19. Deferred tax asset / (liability)				
Balance at the beginning of the year	19,529,842	31,735,743	19,529,842	31,735,743
Charge/(reversal) during the year	-			
Through income statement	(20,085,853)	(14,993,126)	(20,085,853)	(14,993,126)
Through OCI	(505,093)	2,787,225	(505,093)	2,787,225
Balance at the end of the year - asset / (liability)	(1,061,104)	19,529,842	(1,061,104)	19,529,842

	Tax effect		Income statement		OCI	
	31.03.2015	31.03.2014	2014/2015	2013/2014	2014/2015	2013/2014
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
19.1 Deferred tax asset/ (liability)						
Company/Group						
Deferred tax asset						
Defined benefit obligation						
- Income Statement	11,688,400	8,558,929	3,129,471	(336,924)	-	-
Defined benefit obligation - OCI	795,172	1,300,265	-	-	(505,093)	2,787,225
	12,483,572	9,859,195	3,129,471	(336,924)	(505,093)	2,787,225
Investment allowance	15,718,336	31,436,672	(15,718,336)	(6,363,328)	-	-
	28,201,908	41,295,866	(12,588,865)	(6,700,252)	(505,093)	2,787,225
Deferred tax liability						
Depreciation of property,						
plant and equipment	29,263,012	21,766,025	(7,496,987)	(8,292,874)	-	-
	29,263,012	21,766,025	(7,496,987)	(8,292,874)	-	
Net deferred tax asset/ (liability)	(1,061,104)	19,529,842	(20,085,853)	(14,993,126)	(505,093)	2,787,225

19.2 The company is eligible for qualifying payment relief on the new building project under section 34 of the Inland Revenue Act. The value of future tax benefits have been recognized as a deferred tax asset as required by SLFRS based on best management estimates. The value of this asset is subject to eligibility for this allowance and the availability of taxable income during these respective periods. On 29th December 2014 the Inland Revenue made an assessment of Rs. 13,855,855/- on the above qualifying payment relief on the basis that value addition is less than the required amount of 35%. The company has appealed this provision and management believes that the grounds for its claim are strong.

	Company		Group	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
	Rs.	Rs.	Rs.	Rs.
Investment allowance				
Investment allowance carried forward	112,273,828	168,410,742	112,273,828	168,410,742
Claimed during the year	(56,136,914)	(56,136,914)	(56,136,914)	(56,136,914)
Investment allowance carried forward for future years	56,136,914	112,273,828	56,136,914	112,273,828

	Company		Group	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
	Rs.	Rs.	Rs.	Rs.
20. Inventories				
Raw materials and consumables	62,219,346	49,542,729	62,219,346	49,542,729
Finished goods	44,351,579	35,118,627	44,351,579	35,118,627
Spares and accessories	16,306,656	18,353,665	16,306,656	18,353,665
Goods in transit	379,229	1,838,469	379,229	1,838,469
	123,256,811	104,853,490	123,256,811	104,853,490
Provision for inventories	(4,348,308)	(939,635)	(4,348,308)	(939,635)
	118,908,502	103,913,855	118,908,502	103,913,855
21. Trade receivables				
Trade receivables	205,310,843	183,983,544	205,310,843	183,983,544
Less: allowances for impairment of debtors	(556,705)	(556,705)	(556,705)	(556,705)
	204,754,138	183,426,839	204,754,138	183,426,839
22. Amounts due from related party				
Ceylon Biscuits Limited	-	1,948,035	-	1,948,035
	-	1,948,035	-	1,948,035
23. Cash in hand and at bank				
Cash and cheques	16,650	-	16,650	-
Standard Chartered Bank	-	1,888,252	-	1,888,252
Peoples Bank	1,137,318	482,773	1,137,318	482,773
Hatton National Bank	536,852	265,272	536,852	265,272
Petty cash	69,060	90,000	69,060	90,000
	1,759,880	2,726,297	1,759,880	2,726,297
24. Stated capital				
Issued and fully paid up shares				
2,750,000 number of ordinary shares	52,521,178	52,521,178	52,521,178	52,521,178
	52,521,178	52,521,178	52,521,178	52,521,178
25. Term loans				
Opening Balance	54,814,806	72,592,590	54,814,806	72,592,590
Loans obtained during the year	-	-	-	-
Payments made during the year	(17,777,784)	(17,777,784)	(17,777,784)	(17,777,784)
	37,037,022	54,814,806	37,037,022	54,814,806
Payable within one year	(17,777,784)	(17,777,784)	(17,777,784)	(17,777,784)
Payable after one year	19,259,238	37,037,022	19,259,238	37,037,022

Terms and conditions of borrowing facilities

Interest - 5% per annum above the AWPLR

Repayment - 54 equal monthly installments

Security - New factory building and purchased machinery

	Company		Group	
	31.03.2015 Rs.	31.03.2014 Rs.	31.03.2015 Rs.	31.03.2014 Rs.

26. Retirement benefit obligations

Opening defined benefit obligation	35,211,410	26,460,336	35,211,410	26,460,336
Current service cost	3,551,261	2,454,455	3,551,261	2,454,455
Interest cost	3,697,198	3,175,240	3,697,198	3,175,240
Actuarial / (gains) or losses recognised	2,839,900	4,643,804	2,839,900	4,643,804
Benefits paid during the year	(715,583)	(1,522,425)	(715,583)	(1,522,425)
Provision at the end of the year	44,584,186	35,211,410	44,584,186	35,211,410

The amount recognised in the income statement is as follows:

Current service cost	3,551,261	2,454,455	3,551,261	2,454,455
Interest cost	3,697,198	3,175,240	3,697,198	3,175,240
Actuarial (gains) / losses	2,839,900	4,643,804	2,839,900	4,643,804
	10,088,359	10,273,499	10,088,359	10,273,499

An actuarial valuation of the retirement benefit obligation was carried out as at 31st March 2015 by Messrs.' Piyal S Goonetilleke & Associates, a firm of professional actuaries. The valuation method used by the actuary to value the Fund is the "Projected Unit Credit Method", recommended by Sri Lanka Accounting Standards-LKAS 19 (Employee Benefits).

Actuarial assumptions	31.03.2015	31.03.2014
Discount rate	10%	10.5%
Future salary increment rate	15%	15%

	Company		Group	
	31.03.2015 Rs.	31.03.2014 Rs.	31.03.2015 Rs.	31.03.2014 Rs.

27. Trade payables

Trade creditors - local	54,187,105	52,126,395	54,187,105	52,126,395
Trade creditors - imports	38,099,581	23,119,841	38,099,581	23,119,841
GR/IR clearing	42,759,812	-	42,759,812	-
	135,046,499	75,246,236	135,046,499	75,246,236

28. Income tax payable/ (receivable)

Balance at the beginning of the year - payable / (receivable)	(10,753,839)	(21,362,760)	(10,753,839)	(21,362,760)
Provision for the period	37,010,484	14,490,695	37,010,484	14,490,695
	26,256,644	(6,872,066)	26,256,644	(6,872,066)
Tax credit				
Economic service charge, self assessment payments and other refunds	(9,555,000)	(3,575,084)	(9,555,000)	(3,575,084)
WHT receivable	(280,000)	(306,690)	(280,000)	(306,690)
Balance at the end of the year - payable / (receivable)	16,421,644	(10,753,839)	16,421,644	(10,753,839)

	Company		Group	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
	Rs.	Rs.	Rs.	Rs.

29. Amounts due to related party

CBL Foods International (Pvt) Ltd	-	7,207,106	-	7,207,106
Plenty Foods (Pvt) Ltd	-	411,202	-	411,202
CBL Agro (Pvt) Ltd	-	262,200	-	262,200
Soy Products (Pvt) Ltd	348,947	348,947	-	-
CBL -Current account	-	-	-	-
	348,947	8,229,455	-	7,880,508

30. Bank overdraft

Hatton National Bank	21,157,908	36,136,238	21,157,908	36,136,238
	21,157,908	36,136,238	21,157,908	36,136,238

Terms and condition of facility

The company has obtained overdraft facilities amounting to Rs.20,000,000/- at an interest rate of AWPLR +1% from Hatton National Bank PLC by negative pledge over project assets

31. Analysis of financial instruments by measurement basis

31.1 Analysis of financial instruments by measurement basis as at 31st March 2015

Company/ Group

Financial assets	HFT at fair value Rs.	HTM at amortised cost Rs.	L&R at amortised cost Rs.	AFS at fair value Rs.	Total Rs.
Trade receivables	-	-	205,310,843	-	205,310,843
Other receivables	-	-	41,564,334	-	41,564,334
Short term investments	-	-	255,902,549	-	255,902,549
Cash in hand and at bank	-	-	1,759,880	-	1,759,880
	-	-	504,537,607	-	504,537,607

Financial Liabilities	FL - FVTPL Rs.	OFL Rs.
Long term borrowings	-	19,259,238
Trade payables	-	135,046,499
Short term borrowing	-	17,777,784
Amounts due to related party	-	348,947
Other payables	-	22,557,704
Accrued charges	-	50,416,803
Bank overdraft	-	21,157,908
	-	266,564,882

31.2 Analysis of financial instruments by measurement basis as at 31st March 2014

Company/ Group

Financial assets	HFT at fair value Rs.	HTM at amortised cost Rs.	L&R at amortised cost Rs.	AFS at fair value Rs.	Total Rs.
Other financial assets	-	-	-	25,761,572	25,761,572
Trade receivables	-	-	183,983,544	-	183,983,544
Other receivables	-	-	11,027,754	-	11,027,754
Amounts due from related party	-	-	1,948,035	-	1,948,035
Short term investments	-	-	74,380,532	-	74,380,532
Cash in hand and at bank	-	-	2,726,297	-	2,726,297
	-	-	274,066,162	25,761,572	299,827,734

Financial Liabilities	FL - FVTPL Rs.	OFL Rs.
Long term borrowings	-	37,037,022
Trade payables	-	75,246,236
Short term borrowing	-	17,777,784
Amounts due to related party	-	8,229,455
Other payables	-	15,727,377
Accrued charges	-	37,366,172
Bank overdraft	-	36,136,238
	-	227,520,285

32. Financial risk management

As at 31st March 2015, the company was exposed to a variety of financial risks such as market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk through financial instruments owned by the company. The company's overall risk management process focuses on the unpredictability of financial risks and seeks to minimize potential adverse effects on the Company's financial performance. Risk management is performed by the finance department under policies approved by the Board of Directors.

The principal financial instruments of the company comprise of short term deposits, money market investments, and cash. The main purpose of these financial instruments is to raise and maintain liquidity for the Company's operations, and maximise returns on the company's financial reserves. The Company has various other financial instruments such as trade receivables and trade payables which arise directly from its business activities.

(a) Foreign exchange risk

The Company is principally exposed to fluctuations in the value of the US Dollar (USD) against the Sri Lankan Rupee (LKR) on its pending letter of credit valued at Rs. 83,850,122 and import bills valued at Rs. 36,531,716 as at 31st March 2015. The movement of the LKR against the USD by Rs. 1 per USD, will have a total impact of Rs. 511,789 on the financial statements.

(b) Credit risk

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 risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions.

Trade receivables
Trade receivables consist of local and overseas customers. Ongoing credit evaluation is performed on the financial condition of accounts receivable. The company does not have a significant credit risk exposure to any single counterparty or any group of counterparties. The company has established policies and procedures to evaluate the clients before approving credit terms. Debtor balance as at 31st March 2015 comprises of Modern Trade, Distributors, Direct Dealers and individuals are represents 27%, 64%, 8%, and 1% respectively.

Bank balances and deposits
All positive bank balances and deposits are maintained with licensed commercial banks, recognised financial institutions or treasury bills repurchase agreements.

(c) Interest rate risk
The company has obtained an overdraft facility amounting to Rs. 20,000,000 at an interest rate of AWPLR +1% from Hatton National Bank PLC by negative pledge over project assets, which has a direct impact on the interest expense due to the fluctuation of the interest rate.

Other than the above, the company does not have any financial instruments on which the realisable/market value will be significantly affected by the movements of interest rates as at 31st March 2015.

Capital risk management
The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the company consists of net debt (borrowings as detailed in notes 25 offset by cash and bank balances) and equity of the company (comprising issued capital, reserves, retained earnings and Available for Sale financial instrument reserve as detailed in notes 24 and in the statement of financial position.

The company finance division reviews the capital structure of the Group on a semi-annual basis and report to Board of Directors. As part of this review, the division considers the cost of capital and the risks associated with each class of capital.

33. Related party disclosures

33.1 Transactions with Key Management Personnel
Related parties include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the company. Key Management Personnel include members of the Board of Directors of the company. Compensation to Key Management personnel are as follows:

	Company		Group	
	2014/2015	2013/2014	2014/2015	2013/2014
	Rs.	Rs.	Rs.	Rs.
Short term employee benefits	8,845,823	8,225,193	8,845,824	8,225,193

33.2 Transactions of the Company with its subsidiary
There were no transaction with the subsidiary during the year.

33.3 Transactions of the Company with its parent
During the year the company entered in to the following transactions with its Parent Company, Ceylon Biscuit Limited.

Nature of transaction	Transaction Value Rs.	Receivable/ (payable) 31.03.2015 Rs.
Sales	16,156,710	2,128,677
Purchase of raw material	5,660,723	(982,430)
Transfer of funds	3,086,200	
Reimbursement of expenses	102,757	

33.4 Transactions of the company with group companies

Name of the company	Nature of transaction	Transaction Value Rs.	Receivable/ (Payable) 31.03.2015 Rs.
Plenty Foods (Pvt) Ltd	Sales	463,668	89,372
Purchase of raw material		7,998,549	(1,332,740)
Reimbursement of expenses		1,894,248	
Reimbursement of expenses		806,201	
CBL Foods International (Pvt) Ltd	Sales return	2,218,036	(1,930,442)
Reimbursement of expenses		1,005,362	
Purchase of raw material & finish goods		14,965,912	
CBL Agro (Pvt) Ltd	Purchase of raw material	1,393,475	-
Ritzbury Lanka (Pvt) Ltd	Store rent expense	1,740,000	-

34. Commitments and contingencies

34.1 Financial commitments

Commitments on account of letter of credit as at 31st March 2015 was Rs. 83,850,123 (31st March 2014: Rs. 57,859,800). There is no performance guarantees and other contingencies granted to third parties on behalf of the company as at 31st March 2015 (31st March 2014:Nil)

34.2 Pending litigations and contingent liabilities

There were no other significant contingent liabilities as at the reporting date, except for the followings:

a) The company had made an appeal to the court of Appeal on question of law arising from the determination of the Board of Review and is made under and in terms of Section 122 (1) of the Inland Revenue Act No. 28 of 1979 (as amended). The income tax payable as per the Board of Review determination for the year of assessment 1991/1992 amounts to a sum of Rs. 8,871,886 and surcharge on income tax of Rs. 1,072,031 (plus any penalties payable thereon). Pending the final decision, no provision has been made in these financial statements.

b) As per the note no.19.2 in these financial statements, on 29th December 2014 the Inland Revenue made an assessment of Rs. 13,855,855/- on the above qualifying payment relief on the basis that value addition is less than the required amount of 35%. The company has appealed this provision and management believes that the grounds for its claim are strong.

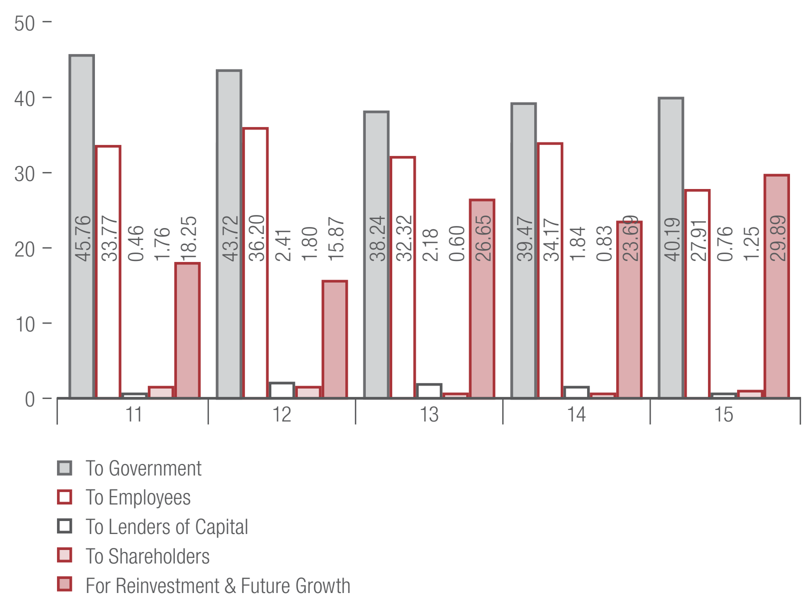
35. Events after the reporting period

There were no significant events after the reporting date that would require adjustments to or disclosures in the financial statements.

STATEMENT OF VALUE ADDED

Consolidated	For The Year Ended 31st March 2015 Rs.	For The Year Ended 31st March 2014 Rs.	For The Year Ended 31st March 2013 Rs.	For The Year Ended 31st March 2012 Rs.	For The Year Ended 31st March 2011 Rs.
Total Revenue	1,947,246,735	1,505,043,704	1,320,746,225	987,372,726	989,984,764
Purchase of Goods & Services	(1,299,829,956)	(1,022,587,275)	(877,146,212)	(617,445,983)	(650,970,743)
	647,416,779	482,456,429	443,600,013	369,926,743	339,014,021
Other Income	13,561,664	11,510,815	11,648,577	12,819,496	12,605,374
Total Value Added	660,978,443	493,967,244	455,248,590	382,746,239	351,619,396
Distributed as Follows					
To Government (VAT,NBT, Income Tax)	265,811,975	195,095,939	174,067,549	167,337,662	160,890,093
To Employees (Salaries & other Costs)	184,610,584	168,924,555	147,145,346	138,566,924	118,736,090
To Lenders of Capital (Interest)	4,608,698	8,729,951	9,943,889	9,220,174	1,622,229
To Shareholders (Dividends)	8,250,000	4,125,000	2,750,000	6,875,000	6,187,500
For Reinvestment & Future Growth	197,697,187	117,091,798	121,341,806	60,746,479	64,183,484
Depreciation	32,774,969	31,121,918	25,431,187	13,716,091	11,994,668
Reserves	164,922,218	85,969,880	95,910,619	47,030,388	52,188,816
	660,978,443	493,967,244	455,248,590	382,746,239	351,619,396

Asset Distribution (%)



INFO

SHAREHOLDER & INVESTOR INFORMATION

Ordinary Shareholders

Number of shareholders - 1,454 as at 31st March 2015

From		To	Number of shareholders	Number of shares	% Holding
1	-	1,000	1,402	145,506	5.29%
1,001	-	10,000	43	140,948	5.13%
10,001	-	100,000	6	149,949	5.45%
100,001	-	1,000,000	2	350,620	12.75%
Over		1,000,000	1	1,962,977	71.38%
			1,454	2,750,000	100.00%

Categories of Shareholders

Categories	Number of shareholders	Number of shares	% Holding
Local Individuals	1,401	319,692	11.63%
Local Institutions	46	2,358,503	85.76%
Foreign Individuals	6	71,755	2.61%
Foreign Institutions	1	50	0.00%
Total	1,454	2,750,000	100.00%

Details of Shares Traded During The Year

Market price per share	As at 3/31/2015 Rs.	As at 3/31/2014 Rs.
Highest during the year	349.90	250.00
Lowest during the year	200.00	139.70
As at end of the year	325.70	210.00
Market Capitalisation as at 31st March (Rs Millions)	895.68	577.50

Major Holders of Equity

	2015		2014	
	No. Share	%	No. Share	%
1. Ceylon Biscuits Limited	1,962,977	71.381	1,962,977	71.381
2. Dawi Investment Trust (Pvt) Ltd	238,409	8.669	171,693	6.243
3. People's Leasing & Finance PLC/CD Kohombanwickrama	112,211	4.080	-	-
4. Mr. H W M Woodward	70,628	2.568	70,628	2.568
5. Waldock Mackenzie Limited/Mr Suranjan Praveen Perera	25,853	0.940	-	-
6. Mr. A M D E S Jayaratne	18,570	0.675	18,570	0.675
7. Mr. K C Vignarajah	14,200	0.516	14,200	0.516
8. Mr. R J S Jayamaha	10,398	0.378	-	-
9. Mr. H G Carimjee (Deceased)	10,300	0.375	10,300	0.375
10. Mr. E D K Weerasuriya	8,400	0.305	7,300	0.265
11. Mr. L H S Peiris	7,730	0.281	2,544	0.093
12. Mrs. N A Chandrasena and Mr J U N Chandrasena	7,505	0.273	7,505	0.273
13. Mrs. L I Perera	7,463	0.271	1	0.000
14. Mr. G W Amaratunga	6,900	0.251	6,900	0.251
15. Mrs. S Vignarajah	6,300	0.229	6,300	0.229
16. Mr. A J Rumy	6,200	0.225	6,200	0.225
17. Mrs. M M Udeshi	6,000	0.218	6,000	0.218
18. Mr. D Ratnayake	5,700	0.207	5,700	0.207
19. Mr. U I Suriyabandara	5,040	0.183	5,271	0.192
20. Mrs. S S Silva	5,000	0.182	5,700	0.207
	2,535,784	92.210	2,307,789	83.920

The percentage of Shares held by the public is 28.62%

PERFORMANCE SUMMARY

Group data	For the Year Ended 3/31/2015	For the Year Ended 3/31/2014	For the Year Ended 3/31/2013	For the Year Ended 3/31/2012	For the Year Ended 3/31/2011
Profitability (Rs.)					
Revenue (Net)	1,742,502,671	1,343,789,021	1,179,237,701	881,582,791	883,388,900
Profit/(Loss) from Operating Activities	171,888,441	113,031,106	65,507,527	61,438,422	86,455,135
Finance Cost	(5,045,496)	(9,088,221)	(11,143,138)	(9,220,174)	(204,470)
Other Income	13,561,664	11,510,815	11,648,577	12,819,496	12,605,374
Total gain on disposal of shares held by the trust	41,613,945	-	-	-	-
Profit before taxation	222,018,555	115,453,701	66,012,966	65,037,744	92,280,735
Taxation	(57,096,337)	(29,483,821)	29,897,653	(18,007,356)	(40,091,918)
Profit after taxation	164,922,218	85,969,880	95,910,619	47,030,388	52,188,817
Investor's funds (Rs.)					
Stated capital	52,521,178	52,521,178	52,521,178	52,521,178	52,521,178
Available for Sale Reserve	-	24,375,517	19,650,228	14,169,435	11,751,091
Retained Profits	522,268,688	368,941,463	288,953,161	201,871,120	162,527,779
Provision for liabilities & charges	64,904,528	72,248,432	81,275,143	17,254,266	12,198,838
	639,694,394	518,086,589	442,399,712	285,816,000	238,998,886
Assets employed (Rs.)					
Current assets	622,889,404	388,177,152	323,947,105	216,763,131	265,568,030
Current liabilities	263,946,981	190,702,954	215,670,689	180,912,033	104,441,176
Working capital	358,942,424	197,474,198	108,276,416	35,851,098	161,126,854
Other Financial Assets	-	25,761,572	21,036,283	15,555,490	13,137,146
Property, plant & equipment	280,751,970	275,320,976	281,351,269	230,860,212	63,141,638
Deferred Tax Asset	-	19,529,842	31,735,743	3,549,199	1,593,248
	639,694,394	518,086,589	442,399,712	285,816,000	238,998,886
Key financial indicators					
Market Price of a share as at year end	325.70	210.00	139.90	174.80	405.20
Net assets per share	209.09	162.20	131.32	97.66	82.47
Earnings per share	59.97	31.26	34.88	17.10	18.98
Dividend per share	3.00	1.50	1.50	1.00	2.50
Price earnings ratio (year end)	5.43	6.72	4.01	10.22	21.35
Market capitalisation (Rs.'000)	895,675	577,500	384,725	480,700	1,114,300
Return on capital employed	26.57%	18.35%	24.20%	19.68%	21.92%
Dividend Pay Out ratio	0.05	0.05	0.04	0.06	0.13
Interest cover (times covered)	37	14	7	0	0
Current ratio	2.36	2.04	1.50	1.20	2.54

Certain comparatives of the previous years have been restated to conform to the presentation of financial statements as at 31.03.2015

EMPLOYEE STATISTICS

Employee Strength

Managerial Staff	Group As at 31st March 2015	Group As at 31st March 2014
Director	1	1
Senior Managers	2	2
Managers	4	3
Assistant Managers	8	6
	15	12

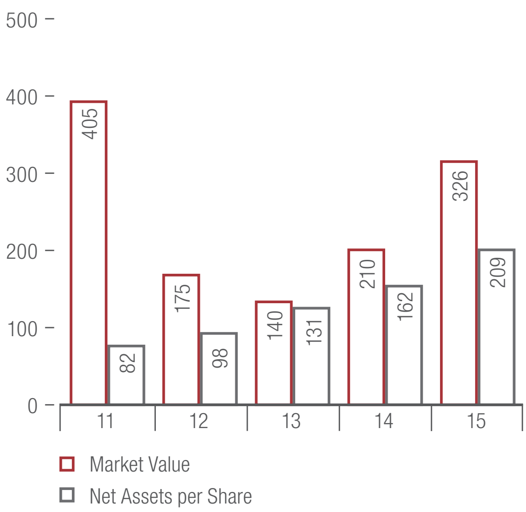
Support Staff	Group As at 31st March 2015	Group As at 31st March 2014
Executives	10	6
Other Support staff		
Permanent	200	190
Contract	2	3
Casual	0	6
	212	205

Functional Analysis of Executives

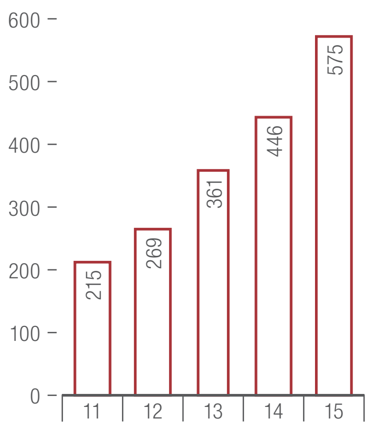
	Group As at 31st March 2015	Group As at 31st March 2014
General Management	2	2
Finance	5	4
Marketing	6	4
Production	5	4
R&D	5	2
Procument & Sales Administration	2	2
	25	18

GRAPHICAL REVIEW

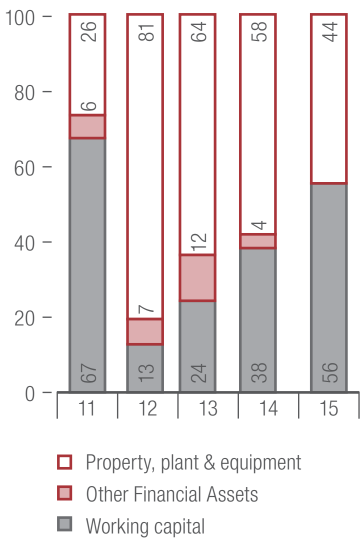
Market Value vs Net Assets per Share (Rs. Mn)



Shareholder's Funds (Rs. Mn)



Asset Distribution (%)



GLOSSARY OF FINANCIAL TERMS

Capital Employed
The total of share capital, capital reserves, revenue reserves and long term liabilities.

Capital Reserves
Reserves identified for specific purposes and considered not available for distribution.

Current Ratio
Current assets divided by current liabilities.

Dividend per Share
Gross dividend divided by the number of ordinary shares in issue at the year end.

Dividend Payout Ratio
Ordinary dividend per share divided by earnings per share.

Earnings per Share
Profit attributable to ordinary shareholders divided by the number of shares in issue and ranking for dividend.

Interest Cover
Profit before tax plus interest charges divided by interest charges.

Market Capitalisation
Number of shares in issue at the end of the financial year multiplied by the market value of a share as at that date.

Market Value per Share
The price at which an ordinary share is traded in the market.

Net Assets per Share
Total assets less total liabilities excluding long term liabilities and provisions for liabilities and charges (net assets employed) divided by the number of shares.

Profit before Taxation on Turnover
Profit before taxation divided by turnover.

Operating Return Ratio
Operating profit after bad debts, before finance charges, other income and taxation, divided by the total average assets employed during the year.

Total Average Assets Employed
Average of the year opening and closing and fixed and current assets including deferred revenue expenditure.

Price Earnings Ratio
Market price of a share as at the end of the financial year divided by the earnings per share for the financial year.

Return on Capital Employed
Profit after tax divided by assets employed at the end of the year.

Shareholders' Funds
The total of stated capital, capital reserves and revenue reserves minus deferred revenue expenditure.

Total Debt
The total of long and short term (current) liabilities.

Value Addition
The quantum of wealth generated by the activities of the company and its application.

Working Capital
Capital required to finance day to day operations (Current assets minus current liabilities).

NOTES

FORM OF PROXY

I/We*……………………………………………..............................…..NIC No……...

of...being a shareholder/s* of CONVENIENCE FOODS (LANKA) PLC

hereby appoint……………………...………of...or failing him*;

Mr. Ramya Sanath Wickramasingha	of Colombo or failing him*
Ms. Dharshini Sheamalee Wickramasingha	of Colombo or failing her*
Mr. Edenadure Thilanka De Zoysa	of Colombo or failing him*
Mr. Nandana Arunasiri Wickramage	of Colombo or failing him*
Mr. Muditha Udara Saliya Gamini Thilakawardana	of Colombo or failing him*
Mr. Dissanayake Mudiyanselage Ananda Kulasooriya	of Colombo or failing him*
Mr. Mahesh Shirantha Nanayakkara	of Colombo*

as my/our *proxy to represent me/us* and to vote as indicated hereunder for me/us* and on my/our* behalf and /or* to speak at the Twenty Fourth Annual General Meeting of the Company to be held on 27th August 2015 at 3.30 p.m. and at every poll which may be taken in consequence of the aforesaid Meeting and at any adjournment thereof.

	For	Against
1. To receive and consider the Annual Report of the Board of Directors on the affairs of the Company and the Statement of Accounts for the year ended 31st March 2015 and the Report of the Auditors thereon.		
2. Declare a first and final dividend of Rs. 5.50 per share for the year ended 31st March 2015.		
3. To re-appoint the retiring Auditors Messrs S J M S Associates, Chartered Accountants as the Company's Auditors and to authorise the Directors to determine their remuneration.		
4. To authorise the Directors to determine donations for the year ending 31st March 2016 and up to the date of the next Annual General Meeting.		

In witness my/our* hand this .... day of .... Two Thousand and Fifteen.

…..
Signature of Shareholder/s

*Please delete what is inapplicable.

Note:
1. Instructions as to completion appear on the reverse.
2. A Proxy need not be a shareholder of the Company.

FORM OF PROXY CONTD.

INSTRUCTIONS FOR COMPLETION

1. Kindly perfect the Form of Proxy by filling in legibly your full name, address and the National Identity Card number and signing in the space provided and filling in the date of signature.

2. If the appointor is a Company / Incorporated body this Form must be executed in accordance with the Articles of Association / Statute.

3. If the Form of Proxy is signed by an Attorney, the relative Power of Attorney should accompany the Form of Proxy for registration if such Power of Attorney has not already been registered with the Company.

4. If you wish to appoint a person other than the Chairman (or failing him, one of the Directors) as your Proxy please insert the relevant details in the space provided.

5. Please indicate with an 'X' in the space provided how your Proxy is to vote on the resolution. If no indication is given, the Proxy in his discretion will vote as he thinks fit.

6. The completed Form of Proxy should be deposited at the Registered Office of the Company, C/o Ceylon Biscuits Limited, Makumbura, Pannipitiya by 3.30 p.m. on 25th August 2015.

CORPORATE INFORMATION

Name of the Company

Convenience Foods (Lanka) PLC
(Formerly known as Soy Foods (Lanka) PLC

Legal Form & Listing

A Public Limited Company listed on the Colombo Stock Exchange.

Date of Incorporation

27th March 1991

Registered Office

Ceylon Biscuits Ltd.
High Level Road
Makumbura
Pannipitiya, Sri Lanka.

Principal Place of Business

No. 133, 7th Lane, Off Borupana Road,
Kandawala Ratmalama.

Tel: +94 11 2611154, 2624408, 5003000
E- mail: conveniencefoods@muncheelk.com
Web:www.muncheelk.com

Business Activity

Manufacture and Marketing of Textured Vegetable Protein (TVP) & Other Food Products.

Directors of the Company

Mr. R S Wickramasingha - Chairman
Mr. E T De Zoysa - Managing Director
Ms. D S Wickramasingha
Mr. N A Wickramage
Mr. M U S G Thilakawardana
Dr. D M A Kulasooriya
Mr. M S Nanayakkara

Auditors

SJMS Associates
Chartered Accountants,
2, Castle Lane
Colombo 4, Sri Lanka.

Secretaries & Registrars

P.W. Corporate Secretarial (Pvt) Ltd
No.3/17, Kynsey Road,
Colombo 08.

Bankers

Hatton National Bank
Peoples Bank
DFCC

Member of the CBL Group

Convenience Foods (Lanka) PLC
No. 133, 7th Lane, Off Borupana Road,
Kandawala Ratmalama.