



Goodhope

A CARSON CUMBERBATCH COMPANY

Selinsing PLC

Annual Report 2011/12



Financial Calendar

Financial Year End 31st March 2012

Announcement of Results

First Quarter ended 30th June 2011 9th August 2011

Second Quarter ended 30th September 2011 14th November 2011

Third Quarter ended 31st December 2011 14th February 2012

Year ended 31st March 2012 6th May 2012

Dividend Declaration

Interim 17th February 2012

Final* 31st May 2012

105th Annual General Meeting 31st May 2012

** Subject to approval from Shareholders*

Contents

Chairman's Statement	1	Financial Reports	
Review of Industry and		Independent Auditors' Report	25
Operational Performance	2	Income Statement	26
Risk Management	4	Balance Sheet	27
Profile of the Directors	7	Statement of Changes in Equity	28
Statement of Directors'		Cash Flow Statement	29
Responsibilities	10	Notes to the Financial Statements	30
Annual Report of the Board of		Five Year Summary	58
Directors on the Affairs of		Statement of Value Added	60
the Company	11	US Dollar Financials	61
Audit Committee Report	21	Information to Shareholders and	
		Investors	69
		Glossary of Financial Terms	72
		Notice of Meeting	74
		Form of Proxy	75
		Corporate Information	IBC

Chairman's Statement

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the Annual Report and audited Financial Statements of Selinsing PLC for the year ended 31st March 2012, and welcome you to the One Hundred and Fifth Annual General Meeting of the Company.

Your Company had another successful year, with profit before tax increasing to Rs. 382.23 mn for the year ended 31st March 2012, compared to Rs. 267.68 mn during the previous year. Selinsing PLC recorded a net profit after tax of Rs. 321.20 mn during the year compared to a net profit after tax of Rs. 205.07 mn in the previous year, inclusive of dividends and other income received.

Your Company's plantations have now reached its maturity subsequent to the replanting program carried out previously. Sustained CPO prices and an increase in other income during the year contributed towards a better operating profit. Continued focus on good agronomy practices and higher productivity has ensured that cost of production is maintained at sustainable levels.

Your Company distributed an interim dividend of Rs. 30.80 per share in February 2012. Taking into consideration the performance during the year, the Company proposes a final dividend of Rs. 29.50 per share to be approved by shareholders.

As indicated in my previous review, the global edible oils and fats industry has seen its landscape change over the last few years. CPO prices remained at over Malaysian Ringgit (MYR) 3,000 during the year ended 31st March 2012, complemented by favorable demand and supply conditions. We expect that palm oil prices will trade around MYR 3,000 over the short to medium term.

In conclusion, I would like to extend my gratitude to all business associates, financiers and regulatory authorities in Sri Lanka and Malaysia for their continued support. I would be failing in my duties if I don't extend the appreciation of the Board of Directors of the Company to the shareholders for their continued support and confidence placed in the Directors. I also wish to thank our management and staff in Malaysia and Sri Lanka for all their hard work and dedication towards improving the performance of the Company. Last but not least, I would like to extend my appreciation to my fellow Board Members for their support and guidance throughout the year, and to the members of the Audit Committee for their invaluable efforts.

(Sgd.)

M. Selvanathan
Chairman

20th April 2012

Review of Industry and Operational Performance

Palm Oil Industry Scenario

Palm Oil prices demonstrated stability during the year, trading at around MYR 3,000 throughout the year except for a couple of months. This was despite an increase in the production of CPO, thereby reflecting the sustained demand side fundamentals and increasing usage of palm based products. Support for palm oil will continue from increasing demand for palm based products and its relative competitiveness vis-a-vis other edible oils.

In Malaysia, production of palm oil is affected by unavailability of land for new plantings; however, better yields in the newly replanted areas are expected to increase the country's production in the future. The pace of new plantations being set up in Indonesia has also been lower due to the scarcity of suitable land and social and regulatory issues.

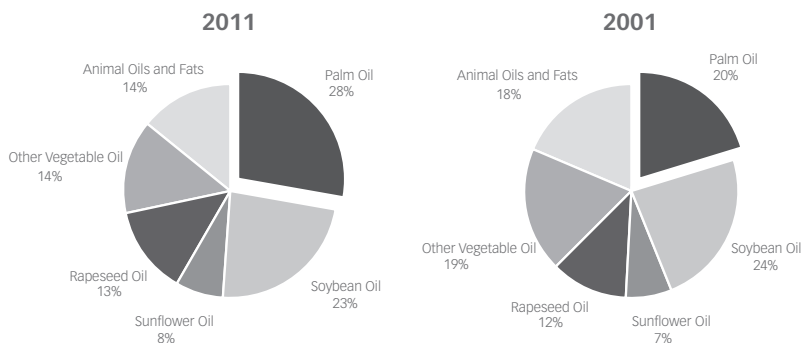
Hence, we forecast palm oil prices to trade above MYR 3,000 over the short to medium term, supported by a supply deficit to meet the increasing demand.

Overview of Financial Performance and Operational Performance

Your Company recorded a profit after tax of Rs. 321.20 mn during the year under review, as compared to Rs. 205.07 mn recorded in the previous year. Profit before tax was Rs. 382.23mn as compared to Rs. 267.68 mn recorded in the previous year.

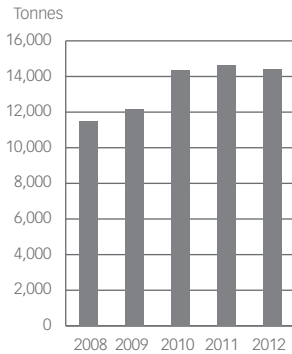
The Company's plantations have now reached its peak production cycle arising from the replanting program carried out previously. Cost of production has been maintained at a sustainable level despite increasing costs, wage increases and inflationary impact; through increased productivity and cost management

World Oil Production



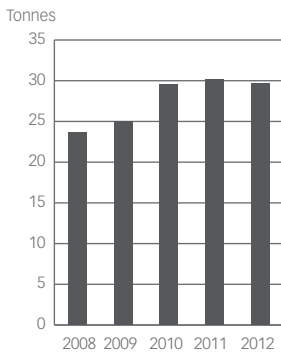
Source : Oil World

Crop Production



practices. This coupled together with sustained CPO prices witnessed during the year contributed to steady operating margins and an increased profit before tax.

Yield per Hectare



As at 31st March 2012, total plantation hectareage was 494.72, of which 485.69 Ha was classified as mature and the rest as infrastructure. All the areas previously replanted have now reached mature stage and yielding crop.

To be able to facilitate the Group's expansion plans in Indonesia, your Company had advanced funds to Shalimar Developments Sdn. Bhd. (SDSB) in the past with the intention of progressively capitalizing these funds as equity. As these Indonesian plantations have now reached maturity and have an improved cash flow position, the un-capitalized amount has been repatriated to the Company in the year under review.

As the plantation matures and yields stabilize over the coming years, the cost of production will be impacted by increasing costs of inputs as well as due to general inflationary impact on costs. Hence, at an operational level your Company will focus on increasing operational and labour productivity and stringent cost management initiatives to sustain cost competitiveness.

Agro Harapan Lestari Sdn. Bhd.

Managers

20th April 2012

Risk Management

The Company is of the view that Risk Management is one of the driving factors for the sustainability of operations and has identified the following risk profile. These risks are continuously managed and reviewed for mitigations at Group level, while the necessary action plans are carried out at Company level.

Business Environment Risks

The adverse weather conditions and various acts of God can hinder the operations at unexpected times. Nevertheless, the Company has not undertaken any measures to indemnify losses that may arise due to natural calamities.

Ganoderma and Bagworms are diseases that can directly affect the potential crop production which would ultimately impact the Company's performance. The Company is investing in agronomy and plantation management practices in order to minimise the impact that would be caused by any sudden up-rise of these diseases.

Commodity Price Risk

The sale of Oil Palm Fresh Fruit Bunches (FFB) is the main source of cash inflow for the Company. As the prices are determined by the international market prices for Crude Palm Oil (CPO) the Company may be adversely affected by unfavourable price fluctuations. Our end product is FFB and hence no price hedging is done.

Operational Risk

The fact that the Company does not own any CPO processing mills in Malaysia means the operations are dependent on third party millers. This has a direct adverse effect as the Company acts as a price taker. There are continuous negotiations with millers for better rates while the Company is on the lookout for other millers so as to minimise the bargaining power of mill owners.

Labour Risk

The plantation sector is heavily reliant on a skilled labour force, thus, hiring and retention can be identified as key issues.

Since the rapid industrialization in the last few years, there has been a shift of employment from plantations to the manufacturing sector. As a mitigation strategy the Company engages

contractors for harvesting activities and hires foreign workers to bridge any workforce shortages. In addition, the Company is in the process of evaluating performance related pay schemes in order to improve productivity and efficiency.

The Company is susceptible to wage revisions imposed by the Malaysian Palm Oil Association (MPOA) which might result adversely on the cost structure. The Company has to abide by these revisions as a mandatory requirement.

Credit Risk

The Company is exposed to credit risk primarily from its trade receivables, which arise from its operating activities and its deposits with Banking Institutions. The Company's objective is to seek continual revenue growth while minimizing losses incurred due to increased credit risk exposure.

The Company trades only with recognized and credit worthy third parties and all customers are subject to a credit verification process. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is minimal.

Foreign Exchange Risk

The Company's exposure to foreign exchange risk is minimal as the Malaysian and Sri Lankan operations are primarily domestic and transactions are recorded in the respective functional currency, i.e, Malaysian Ringgit and Sri Lankan Rupee.

However, a significant element of the risk is generated through the translation of results into the Sri Lankan Rupee as majority of the assets are from the Malaysian operations.

Liquidity Risk

The Company manages liquidity risk exposures through effective working capital management. The Company also has planning guidelines in place to ensure that the short term and medium term liquidity is managed at acceptable levels.

The Malaysian plantation property of the Company has been pledged as security to a foreign bank to secure financing facilities under Goodhope Asia Holdings Ltd (the Company's parent). The above credit line from the lender is also secured by charges created over other assets and plantation properties of the Group in Indonesia and Malaysia.

Risk Management

Further, in order to minimize the impact of an eventual claim on the Company, an internal arrangement has been established among the four Malaysian Plantation Companies to limit the exposure to 25% of such a claim.

Agro Harapan Lestari Sdn. Bhd.

Managers

20th April 2012

Profile of the Directors

Mano Selvanathan

Mano Selvanathan is the Chairman of Sri Krishna Corporation (Private) Ltd, Ceylon Finance & Securities (Private) Ltd and Selinsing PLC. He is a Group Director of most companies in the Carson Cumberbatch Group in Sri Lanka, Indonesia, Malaysia, Singapore and India, and is an active member of its Executive Management Forums. He is also the Deputy Chairman of Ceybank Asset Management Ltd and a Director of Holcim (Lanka) PLC. He is the Past Chairman of the Indo-Lanka Chamber of Commerce & Industry and has served as the Chairman of the Ceylon Chamber of Commerce and as the President of the Rotary Club of Colombo North. He was conferred the highest National Honour in Sri Lanka, the 'DESAMANYA' title by H.E. the President of Sri Lanka, in recognition of services rendered to the nation.

In January 2011 he was awarded the prestigious 'PRAVASI BHARATIYA SAMMAN AWARD' by the President of India in Delhi. He holds a Bachelors Degree in Commerce. He is also the Hon. Consul of the Republic of Chile in Sri Lanka.

Hari Selvanathan

Hari Selvanathan is the Deputy Chairman of Carson Cumberbatch PLC and President Commissioner of the palm oil related companies in Indonesia. He holds Directorships in several subsidiary companies within the Carsons Group and is also a Director of Sri Krishna Corporation (Private) Ltd. He is also the Chairman of Express Newspapers (Ceylon) Ltd and Carsons Management Services (Private) Ltd, the Group's Management Company. He is the Past President of the National Chamber of Commerce and Past Vice Chairman of the International Chamber of Commerce (Sri Lanka).

He counts over 20 years experience in commodity trading in International Markets and holds a Bachelor of Commerce Degree.

Chrisanta F. Fernando

Chrisanta F. Fernando is qualified as a Chartered Accountant from the Institute of Chartered Accountants in England and Wales and is presently a Fellow of the Institute of Chartered Accountants of Sri Lanka.

As a Senior Accountant at Carson Cumberbatch PLC, he has gained over 18 years of experience in financial and

Profile of the Directors

general management of plantation companies and agency management. This was followed by 10 years experience as Director Finance in Projects involving paddy cultivation, shipping agency, non-traditional exports, bottling of soft drinks, earth moving contracts and running a restaurant.

He served as the Managing Director and as the Chief Executive Officer of the Distilleries Company of Sri Lanka PLC (DCSL) and rejoined DCSL as an Independent Non-Executive Director in 2008. He was appointed as Chairman of the Audit Committee and also serves on the Remuneration Committee of DCSL. He is also a Director of a DCSL subsidiary - Melstacorp (Pvt) Ltd and some of its subsidiaries including Continental Insurance Lanka Ltd where he is also the Chairman of the Audit Committee.

He is presently a Director of Selinsing PLC and Equity Three (Pvt) Ltd of the Carsons Group. He was Finance Director of the National Lotteries Board, a Director of the Coconut Cultivation Board and a former Chairman of the Low Country Products Association (LCPA). Presently, he is a Senior Trustee of the Ceylonese Rugby and Football Club.

Israel Paulraj

Israel Paulraj is the Chairman of Ceylon Guardian Investment Trust PLC, Ceylon Investment PLC, Guardian Capital Partners PLC (formerly Watapota Investments PLC) and Rubber Investment Trust Ltd. He serves as a Director of Carson Cumberbatch PLC and of several of the subsidiary companies within the Carsons Group. He is the Chairman of the Incorporated Trustees of the Church of Ceylon.

He served as Past Chairman of the Federation of Exporters' Associations of Sri Lanka and the Coconut Products Traders Association. He was a member of the Executive Committee of the Ceylon Chamber of Commerce and the Sri Lanka Shippers Council of the National Chamber of Commerce. He served on the Board of Arbitrators of the Ceylon Chamber of Commerce. He has served as Hony. General Secretary of the Central Council of Social Services, Hony. Treasurer of the Christian Conference in Asia, President of the Church of Ceylon Youth Movement and Hony. Treasurer of the National Christian Council of Sri Lanka.

He also served on the Presidential Task Force on Non-Traditional Export and Import Competitive Agriculture set up by President R. Premadasa. He also served

as Chairman of the Ecumenical Loan Fund of Sri Lanka and on its International Board in Geneva. He was a member of the Commercial Law Reform Commission and has served on the Parliamentary Consultative Committee on Internal and International Trade.

He holds a Bachelor of Law Degree and an Executive Diploma in Business Administration.

Chandima Gunawardena

Chandima Gunawardena is a Director of Carson Cumberbatch PLC. He serves as a Director in most of the Carsons Group Companies in Sri Lanka and overseas. Since assuming Non-Executive status in the Group, he serves as an advisor to the Group's Strategic Planning and Management forums and on Board Committees including Audit Committees of the Group.

He has over four decades of experience in varied fields of business and commercial activities and has held senior positions in the Corporate & Mercantile Sectors and State Institutions. He was appointed to the Carsons Group Directorate in 1990.

He has served on the Management Committee of the Ceylon Chamber of Commerce for over 10 years, and was a

Founder Council Member of the Sri Lanka Institute of Directors (SLID) and continued to serve in the council for over 10 years. He is a Fellow of the Chartered Institute of Management Accountants, UK.

Chandana Tissera

Chandana Tissera is a Director of Carson Cumberbatch PLC and presently serves as the Chief Executive Officer for the Overseas Plantation Sector of the Carsons Group. He is also a Director of several other subsidiary companies of the Group. He has served as the Chief Executive Officer of the Investment Sector and as the Head of Finance of the Carsons Group.

He has previously served on the Board of Union Assurance PLC and counts over 27 years of experience in the fields of manufacturing, financial services, capital market operations, overseas plantations, project development and management services. He is a Fellow of the Institute of Management, UK.

Statement of Directors' Responsibilities

The responsibilities of the Directors in relation to the Financial Statements are detailed in the following paragraphs, while the responsibilities of the Auditors are set out in the Report of the Auditors.

According to the Companies Act No. 7 of 2007 and the Sri Lanka Accounting & Auditing Standards Act No. 15 of 1995, Directors are required to prepare Financial Statements for each financial year, giving a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss for the said period.

In preparing these Financial Statements the Directors are required to ensure that:

- appropriate accounting policies have been selected and applied consistently while material departures, if any, have been disclosed and explained,
- all applicable Accounting Standards have been complied with, and
- reasonable and prudent judgments and estimates have been made.

The Directors are responsible for ensuring that the Company maintains sufficient accounting records to disclose with reasonable accuracy, the financial position of the Company in order to

ensure that the Financial Statements of the Company meet with the requirements of the Sri Lanka Accounting & Auditing Standards Act No. 15 of 1995 and the Companies Act No. 7 of 2007. They are also responsible for taking reasonable measures to safeguard the assets of the Company and in this regard to give proper consideration to the establishment of an appropriate system of internal controls with a view to prevent, detect and rectify frauds and other irregularities.

These Financial Statements have been prepared on a going concern basis, after reviewing the financial position and the cash flows, since the Directors are of the view that the Company has adequate resources to continue in operation for the foreseeable future.

The Directors are also of the view that they have discharged their responsibilities as set out in this statement.

By Order of the Board,

K. D. de Silva (Mrs.)

Director

**Carsons Management Services
(Pvt) Ltd.**

Secretaries

20th April 2012

Annual Report of the Board of Directors on the Affairs of the Company

The details set out herein provide the pertinent information required by the Companies Act No. 7 of 2007, Listing Rules of the Colombo Stock Exchange and recommended best accounting practices. The Annual Report was approved by the Directors at a meeting held on 20th April 2012.

1. General

The Directors have pleasure in presenting to the shareholders their Report together with the Audited Financial Statements for the year ended 31st March 2012 of Selinsing PLC, a public limited liability company incorporated in Sri Lanka in 1907.

2. The Principal Activities of the Company

There were no significant changes in the nature of the principal activities of the Company during the financial year under review,

where the principal activity of the Company continues to be cultivation of oil palm and managing and holding of an investment portfolio.

3. Review of Operations

The review of the Company's operations during the year, with comments on financial results is stated in the Chairman's Statement on page 1 and the Review of Industry and Operational Performance on pages 2 and 3. These reports form an integral part of the Annual Report of the Board of Directors on the Affairs of the Company.

4. Financial Results

The Company recorded a net profit after tax of Rs. 321.20 mn for the year. An abridgement of the Company's performance is presented in the table below:

<i>For the year ended 31st March</i>	2012 Rs. '000	2011 Rs. '000
Profit after taxation	321,199	205,066
Profit brought forward from previous year	723,839	757,581
Profit available for appropriation	1,045,038	962,647
Appropriation		
Dividend paid	(356,720)	(238,808)
Unappropriated profit carried forward	688,318	723,839

Annual Report of the Board of Directors on the Affairs of the Company

5. Auditors' Report

The Auditors' Report on the Financial Statements is given on page 25 of this Annual Report.

6. Significant Accounting Policies

The Accounting Policies adopted in the preparation of the Financial Statements are given on pages 30 to 42 in the Notes to the Financial Statements.

The accounting policies adopted are consistent with those of the previous financial year.

7. Financial Statements

The Financial Statements of the Company comprising the Balance Sheet, Statements of Income, Changes in Equity and Cash Flow together with the accompanying Notes to the Financial Statements for the year ended 31st March 2012, are set out in pages 26 to 57.

8. Statement of Directors' Responsibilities

The Statement of Directors' Responsibilities for the Financial Statements is given on page 10 of this Annual Report.

9. Interests Register

9.1 Directors' Interests

The Company maintains an Interest Register conforming to the provisions of the Companies Act No. 7 of 2007.

The relevant details as required by the Companies Act No. 7 of 2007 have been entered in the Interest Register during the year under review.

The Interest Register is available for inspection as required under the Companies Act.

9.2 Remuneration of Directors

The Directors' remuneration for the financial year ended 31st March 2012 is given in Notes 5 and 24.2 to the Financial Statements on pages 43 and 57 respectively.

9.3 Directors' Interests in Contracts and Shares

Directors' interests in contracts of the Company are disclosed under Note 24.3 in page 57 to the Financial Statements and have been declared at meetings of the Directors. The Directors have no direct or indirect interest in any other contracts or proposed contracts in relation to the

business of the Company, while they had the following interests in ordinary shares of the Company.

	No of shares	
	31st March 2012	1st April 2011
Mr. M. Selvanathan	-	648
Mr. H. Selvanathan	-	648
Mr. C. F. Fernando	-	55,728
Mr. I. Paulraj	-	75
Mr. D. C. R. Gunawardena	-	-
Mr. P. C. P. Tissera	-	-

10. Corporate Donations

There were no donations granted during the year.

11. Directors

The names of the Directors who served during the financial year are given under Corporate Information in the Inner Back Cover of this Annual Report.

11.1 Directors to Retire by Rotation

In terms of Articles 87 & 88 of the Articles of Association of the Company, Mr. P.C.P. Tissera retires by rotation and being eligible offers himself for re-election.

11.2 Appointment of Directors who are over Seventy Years of Age

Mr. C.F. Fernando and Mr. I. Paulraj who are over seventy years of age are to be re-appointed as Directors of the Company for a further period of one year from the conclusion of the Annual General Meeting and that the age limit stipulated in Section 210 of the Companies Act No. 7 of 2007 shall not be applicable.

12. Auditors

The Company's Auditors during the year under review were Messrs. Ernst & Young, Chartered Accountants.

A sum of Rs. 605,000 was paid to them by the Company as audit fees for the year ended 31st March 2012 (2011: Rs. 579,000).

The retiring Auditors have expressed their willingness to continue in office. A resolution to re-appoint them as Auditors of the Company and authorizing the Directors to fix their remuneration will be proposed at the Annual General Meeting.

The Audit Committee reviewed the appointment of the Auditors, its effectiveness and its relationship

Annual Report of the Board of Directors on the Affairs of the Company

with the Group, including the level of audit and non-audit fees paid to the Auditor.

12.1 Auditors' Relationship or any Interest with the Company

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

13. Related Party Transactions Exceeding 10% of the Equity or 5% of the Total Assets of the Company

The transactions carried out by the Company with its related parties during the year ended 31st March 2012, including those that exceeded 10% of the Shareholder Equity or 5% of the Total Assets as at 31st March 2012, are discribed in Note 24.1 on pages 55 and 56 to the Financial Statements.

14. Corporate Governance

The Board has ensured that the Company has complied with the Corporate Governance Rules as per the Listing Rules of the Colombo Stock Exchange (CSE).

14.1 Board of Directors

The following Directors held office as at the Balance Sheet date and their brief profiles are given on pages 7 to 9 of this Annual Report.

Directors	Executive/ Non-Executive/ Independent
Mr. M. Selvanathan	Executive
Mr. H. Selvanathan	Executive
Mr. C. F. Fernando	Non-Executive/ Independent*
Mr. I. Paulraj	Non-Executive/ Independent**
Mr. D. C. R. Gunawardena	Non-Executive
Mr. P. C. P. Tissera	Executive

* The Board has determined that Mr. C. F. Fernando is an Independent Director in spite of being on the Board for more than nine years, since he is not directly involved in the management of the Company

** The Board has determined that Mr. I. Paulraj is an Independent Director in spite of being on the Board for more than nine years and being a Director of many other companies within the Carson Cumberbatch Group, of which a majority of the other Directors of the Company are also Directors, since he is not directly involved in the management of the Company.

The Managers of the Company are Agro Harapan Lestari Sdn. Bhd.

14.2 Remuneration Committee

In terms of Rule 7.10.5 (a) of the Listing Rules of the Colombo Stock Exchange, the Remuneration Committee of Carson Cumberbatch PLC (CCPLC), the Ultimate Parent Company, functions as the Remuneration Committee of the Company and comprises of the members as shown in the table below.

The Committee has formulated a remuneration policy based on market and industry factors and individual performance for all Group companies.

Aggregated remunerations paid to the Non-Executive Directors are disclosed under Note 5 on page 43.

Executive Directors are not compensated for their role on the Board.

14.3 Audit Committee

As per the Rule 7.10.6 of the Listing Rules of the Colombo Stock Exchange the Audit Committee of CCPLC, the Ultimate Parent Company functions as the Audit Committee of the Company and comprises the following members:

Additionally, Mr. S. C. P. Chelliah acts as the Expert Advisory member to the plantation sector.

The Audit Committee report is given on pages 21 to 23 of this Annual Report.

Audit Committee Members	Executive/Non-Executive/Independent
Mr. V. P. Malalasekera	Non-Executive/ Independent Director of CCPLC
Mr. D. C. R. Gunawardena	Non-Executive Director of CCPLC
Mr. F. Mohideen	Non-Executive/ Independent Director of CCPLC

Remuneration Committee members	Executive/Non-Executive/Independent
Mr. I. Paulraj	Chairman Non-Executive/Independent Director of CCPLC
Mr. M. Moonasinghe	Non-Executive/Independent Director of CCPLC
Mr. D. C. R. Gunawardena	Non-Executive Director of CCPLC

Annual Report of the Board of Directors on the Affairs of the Company

15. Directors' Meetings

Three Board Meetings were convened during the financial year and the attendance of the Directors were as follows:

Director	Meetings Attended (out of 03)
Mr. M. Selvanathan	3
Mr. H. Selvanathan	3
Mr. C. F. Fernando	3
Mr. I. Paulraj	2
Mr. D. C. R. Gunawardena	3
Mr. P. C. P. Tissera	2

16. Dividend

Subject to the approval of the shareholders at the Annual General Meeting, a final dividend of Rs. 29.50 per share is recommended by the Directors for the year ended 31st March 2012. However, in accordance with Sri Lanka Accounting Standard (SLAS) No. 12 (Revised 2005) - Events after the Balance Sheet date, this proposed final dividend has not been recognized as a liability as at 31st March 2012. This would result in a total outflow of Rs. 204.73 mn subject to approval at the forthcoming Annual General Meeting.

Further, the company has paid an interim dividend of Rs. 30.80 per share resulting in a total outflow of Rs. 213.75 mn during the year.

17. Solvency Test

Taking into account the said distribution, the Directors are satisfied that the Company would meet the solvency test requirement under Section 56(2) of the Companies Act No. 7 of 2007 immediately after the distribution. The Company's Auditors, Messrs. Ernst & Young have issued a Certificate of Solvency confirming the same.

18. Stated Capital

The Stated Capital of the Company as at 31st March 2012 was Rs. 69,400,800 comprising of 6,940,080 ordinary shares. There was no change in the Stated Capital of the Company during the year.

19. Shareholders' Funds

Total reserves of the Company as at 31st March 2012 was Rs. 2,380.69 mn (2011: Rs. 2,189.77 mn) comprising of Capital Reserves of Rs. 1,666.26 mn and Revenue reserve of Rs. 714.43 mn.

Total reserves combined with Stated Capital as at 31st March 2012 was Rs. 2,450.09 mn (2011: Rs. 2,259.17 mn).

The movements are shown in the Statement of Changes in Equity given on page 28.

20. Capital Expenditure and Investments

The total expenditure on acquisition of property, plant & equipment during the year amounted to Rs. 40.89 mn (2011: Rs. 1.95 mn).

The Company's plantation had the right of way over the road stretch of the adjacent land for its access. Having negotiated, the Company has now acquired full title to the said road stretch/land at a total cost equivalent to Rs. 40.34 mn (RM 953,960) and has been capitalized under property, plant and equipment in the Balance Sheet.

The movements in property, plant & equipment and Investments during the year are set out in Notes 9 and 11 on pages 46 and 48 respectively.

There were no movements in Investments during the year.

21. Value of the Properties

The market value of the land owned by the Company on the basis of existing use as at 31st March 2012, is MYR 38.63 mn (2011: MYR 38.63 mn). The values reflected in the Financial Statements as at 31st March 2012 is Rs. 1,633.72 mn compared to Rs. 1,409.04 mn in 2011.

The increase in value of land in the reporting currency (Sri Lankan Rupee) is due to the effects of cross currency valuation during the translation of Malaysian currency denominated assets into Sri Lankan Rupees.

22. Value of the Investment Portfolio

The market value/valuation of the Company's investment portfolio as at 31st March 2012 was Rs. 763.56 mn (2011: Rs. 710,74 mn) as disclosed under Note 11 on page 48 to the Financial Statements.

23. Statutory Payments

The Directors to the best of their knowledge and belief are satisfied that all statutory payments have been paid up to date or have been provided for in the Financial Statements.

Annual Report of the Board of Directors on the Affairs of the Company

24. Going Concern

Having taken into account the financial position and future prospects the Directors have a reasonable expectation that the Company has adequate resources to be in operational existence for the foreseeable future. For this reason the Company continues to adopt the going concern basis in preparing the Financial Statements.

25. Events Occurring after the Balance Sheet Date

Subsequent to the Balance Sheet date, no material circumstances have arisen, which would require adjustments to or disclosure in these Financial Statements other than those disclosed in Note 22 on page 54 to the Financial Statements.

26. Share Information

The details relating to earnings, net assets, market value per share and information on share trading is given on pages 69 and 70 of this Annual Report.

27. Annual Report

The Board of Directors approved the Company's Financial Statements together with the

Reviews which form part of the Annual Report, on 20th April 2012. The appropriate number of copies of the report would be submitted to the Colombo Stock Exchange, Sri Lanka Accounting and Auditing Standards Monitoring Board and the Registrar of Companies within the given time frames.

28. Annual General Meeting

The One Hundred and Fifth Annual General Meeting of the Company will be held on the 31st day of May 2012 at 2.30 p.m. at 8th floor, No. 65C, Dharmapala Mawatha, Colombo 07.

The Notice of the Annual General Meeting is on page 74 of this Annual Report.

29. Twenty Major Shareholders

<i>As at 31st March</i>		2012		2011	
Name of Shareholders	No. of shares	%	No. of shares	%	
Goodhope Asia Holdings Ltd	6,639,553	95.67	6,056,642	87.27	
Mr. D. A. Campbell	37,713	0.54	37,713	0.54	
Mr. H. V. Cartwright (Decd.)	23,328	0.34	23,328	0.34	
Ex. of the C. Peters (Decd.)	20,605	0.30	20,605	0.30	
Mr. F. W. Obeyesekere (Decd.)	19,440	0.28	19,440	0.28	
Mr. K. C. Vignarajah	17,493	0.25	13,180	0.19	
Mr. T. Veluppillai (Decd.)	15,552	0.22	15,552	0.22	
Waldock Mackenzie Ltd/ Mr. H. M. S. Abdulhussein	15,542	0.22	15,630	0.23	
Admn. of the H. S. Gour (Decd.)	9,720	0.14	9,720	0.14	
Mr. S. T. S. Chettiar	9,486	0.14	9,486	0.14	
Exe. of the C. Stoddart (Decd.)	7,776	0.11	7,776	0.11	
Mrs. H.L. Keiller (Decd.)	7,776	0.11	7,776	0.11	
Miss. M. Mack	7,776	0.11	7,776	0.11	
Adm. of the E. Ramiah (Decd.)	7,776	0.11	7,776	0.11	
Exe. of the C. S. Nicol (Decd.)	6,480	0.09	6,480	0.09	
Mr. D. Harley	6,480	0.09	6,480	0.09	
Mrs. S. Vignarajah	5,710	0.08	5,210	0.08	
Essajee Carimjee & Company (Pvt) Ltd	5,200	0.07	3,700	0.05	
Mrs. H. A. V. Perera	4,345	0.06	5,345	0.08	
Mrs. J. M. T. Dever	4,042	0.06	4,042	0.06	
Mr. N. J. P. Hewett	4,042	0.06	4,042	0.06	

Annual Report of the Board of Directors on the Affairs of the Company

30. Risk Management

We are conscious of our need to manage risks and have identified and listed out our risk profile as given on pages 4 to 6 of this Annual Report. Action plans to monitor and manage these risks are incorporated into our business plan and reviewed on a continuous basis.

31. Human Resources

The Company has no employees other than the plantation workers in its Malaysian operations, since the business and operation of the Company are managed by Agro Harapan Lestari Sdn. Bhd. The Company has had no material issues pertaining to employees and industrial relations during the year ended 31st March 2012.

Signed for and on behalf of the Board,

(Sgd.)

M. Selvanathan

Chairman

(Sgd.)

P. C. P. Tissera

Director

20th April 2012

Audit Committee Report

Audit Committee

As provided by the Colombo Stock Exchange Listing Rules, the Audit Committee of Carson Cumberbatch PLC (CCPLC) is the Audit Committee of the Company.

The Members of the Audit Committee are as follows:

Audit Committee Members	Executive/ Non-Executive/ Independent
Mr. V. P. Malalasekera	Non-Executive/ Independent (CCPLC)
Mr. D. C. R. Gunawardena	Non-Executive (CCPLC)
Mr. F. Mohideen	Non-Executive/ Independent (CCPLC)

Mr. V. P. Malalasekera is a Non-Executive, Independent Director of CCPLC and a former Director of Ceylon Tobacco Company PLC.

Mr. D. C. R. Gunawardena is a Non-Executive Director of CCPLC and in most of its Group Companies.

Mr. F. Mohideen, a Non-Executive, Independent Director of CCPLC, was the former Deputy Secretary to the Treasury and a former Director of Bank of Ceylon and Securities and Exchange Commission of Sri Lanka.

In addition, Mr. S. C. P. Chelliah is the Expert Advisor to the Audit Committee for the Plantation Sector.

The audit aspects of Selinsing PLC are conducted within the Agenda of CCPLC - Audit Committee and the Committee is advised by Mr. Chelliah as a member of the Panel of Expert Advisors to the Audit Committee of CCPLC, for the Plantation Sector of the Group. Mr. Chelliah, a Consultant, was the former Vice President of Bumiputera Commerce Bank, Kuala Lumpur, presently known as Commerce International Merchant Bankers Berhad.

Meetings of the Audit Committee

CCPLC - Audit Committee held Four (04) Meetings during the financial year to discuss matters relating to the Company.

The attendance of the Members of the Committee was as follows:

Meetings Attended (out of Four)	
Mr. V. P. Malalasekera	04
Mr. D. C. R. Gunawardena	03
Mr. F. Mohideen	04

The Audit Committee Meetings were attended by the internal auditors, as well as the senior management staff members.

Audit Committee Report

The Committee met the external auditors twice during the year, i.e. to discuss the audit scope and to deliberate the draft Financial Report and Accounts. The Audit Committee also met the external auditors, Messrs. Ernst & Young and discussed the draft Financial Report and Accounts, without the management being present.

Purpose of the Audit Committee

To assist the Board of Directors in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control over financial reporting, the audit process and the Company's process for monitoring compliance with laws and regulations, Company policies and procedures and the code of conduct.

To ensure that the internal audit activity is well managed, so that it adds value to the organization by being objective in providing relevant assurance, contributing to the effectiveness and efficiency of governance, risk management and control processes.

Financial Statements

The Interim Financial Statements of Selinsing PLC have been reviewed by the Audit Committee Members at Audit Committee Meetings. The draft Financial

Statements of Selinsing PLC for the year ended 31st March 2012 were also reviewed at a Meeting of the Audit Committee Members, together with the external auditors, Messrs. Ernst & Young, prior to release of same to the Regulatory Authorities and to the shareholders. The Audit Committee Members were provided with confirmations and declarations as required, by the Managers, Agro Harapan Lestari Sdn. Bhd., that the said Financial Statements were prepared in accordance with the Sri Lanka Accounting Standards and the information required by the Companies Act No. 7 of 2007 therein and presented a true and fair view of the Company's state of affairs as at that date and the Company's activities during the year under review.

Internal Audit

In accordance with the recommendation of the Audit Committee, financial audits are carried out annually, whilst field audits at estate level are planned and implemented every alternate year. Accordingly, the internal audit has formulated a plan covering the financial aspect for the next financial year and the plan was approved by the Audit Committee.

External Audit

The Members of the Audit Committee have determined that Messrs. Ernst & Young, Auditors were independent on the basis that they did not carry out any special assignment on the operations of the Company. The Committee has reviewed the external audit plan as well as management letters and followed up on issues raised.

The Members of the Audit Committee have concurred to recommend to the Board of Directors the re-appointment of Messrs. Ernst & Young as Auditors for the financial year ending 31st March 2013, subject to the approval of the shareholders of Selinsing PLC at the Annual General Meeting.

(Sgd.)

V. P. Malalasekera

Chairman – Audit Committee

Carson Cumberbatch PLC

20th April 2012

Financial Reports

Independent Auditors' Report	25
Income Statement	26
Balance Sheet	27
Statement of Changes in Equity	28
Cash Flow Statement	29
Notes to the Financial Statements	30

Independent Auditors' Report



Chartered Accountants

201 De Saram Place
P.O. Box 101
Colombo 10
Sri Lanka
Tel : (0) 11 2463500
Fax Gen : (0) 11 2697369
Tax : (0) 11 5578180
eysl@lk.ey.com

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SELINSING PLC

Report on the Financial Statements

We have audited the accompanying financial statements of Selinsing PLC ("Company"), which comprise the balance sheet as at 31 March 2012, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

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

Scope of Audit and Basis of Opinion

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

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

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

Opinion

In our opinion, so far as appears from our examination, the Company maintained proper accounting records for the year ended 31 March 2012 and the financial statements give a true and fair view of the Company's state of affairs as at 31 March 2012 and its profit and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Report on Other Legal and Regulatory Requirements

In our opinion, these financial statements also comply with the requirements of Section 151(2) of the Companies Act No. 7 of 2007.

Ernst & Young

Chartered Accountants
20th April 2012
Colombo

Partners: A D B Talwatte FCA FCMA M P D Cooray FCA FCMA R N de Saram ACA FCMA Ms. N A De Silva ACA Ms. Y A de Silva ACA W R H Fernando FCA FCMA W K B S P Fernando FCA FCMA A P A Gunasekera FCA FCMA A Herath FCA D K Hulangamuwa FCA FCMA LLB (Lond) H M A Jayasinghe FCA FCMA Ms. A A Ludowyke FCA FCMA Ms. G G S Manatunga ACA Ms. L C G Nanayakkara FCA FCMA N M Sulaiman ACA ACMA B E Wijesuriya ACA ACMA

Income Statement

<i>For the year ended 31st March</i>		2012	2011
	Note	Rs. '000	Rs. '000
Revenue	3	396,995	381,589
Direct operating costs		(80,646)	(78,510)
Gross profit		316,349	303,079
Other income and gains/(losses)	4	91,521	(5,962)
		407,870	297,117
Administrative expenses		(25,636)	(29,436)
Profit before taxation	5	382,234	267,681
Income tax expense	6	(61,035)	(62,615)
Profit for the year		321,199	205,066
Earnings per ordinary Share* (Rs.)	7	46.28	29.55
Dividend per ordinary Share** (Rs.)	7.1	60.30	42.51

The Accounting Policies and Notes from pages 30 to 57 form an integral part of these Financial Statements.

Figures in brackets indicate deductions.

* Includes non-recurring items described in Note 4 on page 43 of the Financial Statements.

** Includes interim dividend paid and final dividend proposed for the year.

Balance Sheet

As at 31st March	Note	2012 Rs. '000	2011 Rs. '000
Assets			
Non-Current Assets			
Property, plant and equipments	9	1,756,853	1,494,208
Long-term investments	11	358,284	358,284
Trade and other receivables	12	-	199,472
Total non-current assets		2,115,137	2,051,964
Current Assets			
Inventories		711	680
Trade and other receivables	12	9,185	23,075
Cash and cash equivalents		368,381	230,626
Total current assets		378,277	254,381
Total Assets		2,493,414	2,306,345
Equity and Liabilities			
Equity			
Stated capital	13	69,401	69,401
Capital reserves	14	1,666,260	1,447,810
Revenue reserves	15	714,426	741,955
Total Shareholders' Funds		2,450,087	2,259,166
Non-Current Liabilities			
Deferred tax liability	16	19,702	20,058
Retirement benefit obligation	17	1,055	870
Total non-current liabilities		20,757	20,928
Current Liabilities			
Trade payables and accruals	18	21,413	22,910
Taxation payable		1,157	3,341
Total current liabilities		22,570	26,251
Total Equity & Liabilities		2,493,414	2,306,345
Net assets per ordinary share (Rs.)		353.03	325.53

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

(Sgd.)

S. Karunasena

Chief Financial Officer

The Accounting Policies and Notes from pages 30 to 57 form an integral part of these Financial Statements.

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

Signed for and on behalf of the Managers

Signed for and on behalf of the Board

(Sgd.)

R. Jiffrey

Director

(Sgd.)

H. Selvanathan

Director

(Sgd.)

P. C. P. Tissera

Director

Agro Harapan Lestari Sdn. Bhd.

20th April 2012

Statement of Changes in Equity

	Stated Capital Rs. '000	Capital Accretion Reserve Rs. '000	Currency Translation Reserve Rs. '000	Retained Profits Rs. '000	Total Equity Rs. '000
Balance as at 1 April 2010	69,401	1,372,862	12,230	757,581	2,212,074
Profit for the year	-	-	-	205,066	205,066
Interim Dividend for the year 2010/11	-	-	-	(152,057)	(152,057)
Final Ordinary dividend for the year 2009/10	-	-	-	(86,751)	(86,751)
Adjustment on Translation of Malaysian operation's Financial Statements	-	74,948	5,886	-	80,834
Balance as at 31 March, 2011	69,401	1,447,810	18,116	723,839	2,259,166
Balance as at 1 April 2011	69,401	1,447,810	18,116	723,839	2,259,166
Profit for the year	-	-	-	321,199	321,199
Final Ordinary dividend for the year 2010/11	-	-	-	(142,966)	(142,966)
Interim Dividend for the year 2011/12	-	-	-	(213,754)	(213,754)
Adjustment on Translation of Malaysian operation's Financial Statements	-	218,450	7,992	-	226,442
Balance as at 31 March, 2012	69,401	1,666,260	26,108	688,318	2,450,087

The Accounting Policies and Notes from pages 30 to 57 form an integral part of these Financial Statements.

Figures in brackets indicate deductions.

Cash Flow Statement

<i>For the year ended 31st March</i>		2012	2011
	Note	Rs. '000	Rs. '000
Cash flows from operating activities			
Profit before Taxation		382,234	267,681
Adjustments for:			
Depreciation on property, plant & equipment	9	3,605	3,494
Gain from return of long term advances made towards share capital		(46,258)	-
Loss on disposal of investment property		-	6,133
Provision for retirement benefit obligations	17	57	67
Exchange differences on currency translations of Malaysian Operations		1,215	3,781
Operating profit before working capital changes		340,853	281,156
Decrease/(Increase) in Inventories		(29)	210
Decrease/(Increase) in Trade and Other Receivables		13,892	(11,333)
(Decrease)/Increase in Trade and Other Payables		(9,164)	1,353
Net cash generated from operating activities		345,552	271,386
Tax paid		(63,578)	(62,938)
Net cash inflows from operating activities		281,974	208,448
Cash flows from investing activities			
Purchase of property, plant & equipment	9	(40,896)	(1,953)
Disposal of Investment Property		-	161,867
Return of long term advances made towards share capital		245,730	-
Net cash flows from investing activities		204,834	159,914
Cash flows from financing activities			
Dividend paid - Ordinary		(349,053)	(233,603)
Net cash used in financing activities		(349,053)	(233,603)
Net increase in cash and cash equivalents		137,755	134,759
Cash and cash equivalents at the beginning of the year		230,626	95,867
Cash and cash equivalents at the end of the year (Note A)		368,381	230,626
Note A			
Cash and cash equivalents			
Cash and bank balances		284,886	62,434
Short-term deposits		83,495	168,192
		368,381	230,626

The Accounting Policies and Notes from pages 30 to 57 form an integral part of these Financial Statements.

Figures in brackets indicate deductions.

Notes to the Financial Statements

1. CORPORATE INFORMATION

1.1 General

Selinsing PLC ("Company") is a public quoted company with limited liability, incorporated and domiciled in Sri Lanka. The registered office of the Company is located at No. 61, Janadhipathi Mawatha, Colombo 01 and the principal place of business is situated at Ladang Selinsing, P.O.Box. 16, 34007, Taiping Perak Darual Ridzuan, Malaysia.

1.2 Principal Activities and Nature of Operations

During the year, the principal activities of the Company were cultivation of Oil Palm and selling of fresh fruits and holding of an investment portfolio.

1.3 Parent Entity and Ultimate Parent Entity

The Company's parent entity is Goodhope Asia Holdings Ltd. In the opinion of the Directors, the Company's Ultimate Parent undertaking and controlling party is Carson Cumberbatch PLC (CCPLC) which is incorporated in Sri Lanka.

1.4 Date of Authorization for Issue

The Financial Statements of Selinsing PLC for the year ended

31st March 2012 were authorized for issue in accordance with a resolution of the Board of Directors on 20th April 2012.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 General Accounting Policies

2.1.1 Statement of Compliance

The Financial Statements of Selinsing PLC comprises the Balance Sheet and the Statements of Income, Changes in Equity and Cash Flows, together with the Accounting Policies and Notes to the Financial Statements.

These financial statements are prepared in accordance with the Sri Lanka Accounting Standards (SLAS) laid down by the Institute of Chartered Accountants of Sri Lanka, and also in compliance with the Companies Act No. 7 of 2007.

2.1.2 Basis of Preparation

These Financial Statements of the Company are prepared under the historical cost convention except for the revaluation of freehold land in Malaysia as disclosed in Note 9 and unless otherwise indicated in these Financial Statements.

All the values presented in the financial statements are in Sri

Lanka Rupee Thousands (Rs.'000)
unless otherwise indicated.

2.1.3 Change in Accounting Policies and Comparative Information

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

2.2 Summary of Significant Accounting Policies

2.2.1 Conversion of Foreign Currencies

(a) Presentation Currency

The Financial Statements are presented in Sri Lankan Rupees.

(b) Investment Operations in

Sri Lanka

The functional currency of the investment activities in Sri Lanka is Sri Lankan Rupees. Transactions in foreign currencies are initially translated into functional currency using the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date are translated at the functional currency rate of exchange ruling at

that date. The exchange differences arising on translation are taken to the Income Statement.

(c) Operations in Malaysia

The functional currency of the foreign operations in Malaysia is the Malaysian Ringgit. As at the reporting date, the assets and liabilities of the Malaysian operations are translated into the presentation currency (Sri Lankan Rupees) at the rate of exchange ruling at the Balance Sheet date and items in the Income Statement are translated at the average exchange rate for the period.

The exchange differences arising on the translation are taken directly to Currency Translation Reserve in the Equity Statement.

2.2.2 Taxation

(a) Current Taxes

The Company's liability to taxation is computed in accordance with the provisions of the Inland Revenue Act No. 10 of 2006 and the subsequent amendments thereto. Full consideration is given to the tax laws prevailing in the countries of incorporation and operation.

Notes to the Financial Statements

Liability to taxation of the Company is made after claiming relief available in terms of the Double Taxation Agreement entered into between the Governments of Malaysia and Sri Lanka.

(b) Deferred Taxation

Deferred tax is provided on temporary differences at the Balance Sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill, or of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor the taxable profit ;

Deferred tax assets are recognized for all deductible differences, carry 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 carry forward of unused tax credits and unused tax losses can be utilized, except:

- Where the deferred tax assets relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor the taxable profit

The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the deferred tax assets to be utilized. Unrecognized deferred tax assets are re-assessed at each Balance Sheet date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the assets are realized or the liabilities are settled, based on tax rates and tax laws that have been

enacted or substantially enacted at the Balance Sheet date.

Current tax and deferred tax relating to items recognized directly in equity are also recognized in equity and not in the Income Statement.

Deferred tax assets and liabilities are set off if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.2.3 Borrowing Costs

All borrowing costs are recognised as an expense in the period in which they are incurred, unless they are incurred in respect of qualifying assets in which case they are capitalized.

2.2.4 Events Occurring after the Balance Sheet Date

The materiality of the events occurring after the Balance Sheet date is considered and appropriate adjustments or disclosures are made in the Financial Statements.

2.3 Assets and Bases of their Valuation

Assets classified as current assets in the Balance Sheet are cash and

those which are expected to be realised in cash during the normal operating cycle of the Company's business or within one year from the Balance Sheet date.

Assets other than current assets are those which the Company intends to hold beyond a period of one year from the Balance Sheet date.

2.3.1 Property, Plant & Equipment and Depreciation

(a) Valuation

Property, plant & equipment are stated at cost or valuation less accumulated depreciation, provided on the basis stated in (c) below.

(b) Cost

Cost of property, plant & equipment is the cost of acquisition or construction together with any expenses incurred in bringing the assets to its working condition for its intended use.

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

Notes to the Financial Statements

has been treated as capital expenditure.

(c) Depreciation

The provision for depreciation is calculated by using a straight line method on the cost or valuation of all property, plant & equipment other than freehold land, in order to write off such amounts over the estimated useful lives. The principal annual rates used are:

	No. of years
Freehold buildings	20
Plant & machinery	10
Furniture, fittings & office equipment	8
Motor vehicles	4
Mature plantation	30

Depreciation of an asset begins when it is available for use whereas depreciation of an asset is ceased at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognized.

The appropriateness of useful lives of the assets and the residual values are assessed annually.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's

carrying amount is greater than its estimated recoverable amount.

(d) Construction-in-progress

Construction-in-progress is transferred to the respective asset accounts at the time of the first utilization of the asset or at the time the asset is commissioned.

(e) Plantations

(i) Permanent Land Development Costs

Land development costs incurred in respect of developing the land for cultivation which are permanent in nature, are capitalized as land cost.

(ii) Limited Life Land Development Costs

Limited life land development costs incurred in respect of new planting, replanting, inter-planting and crop diversifying including infilling cost of the oil palm plantation are capitalized in accordance with Sri Lanka Accounting Standard No. 32.

The limited life land development costs are amortized over the estimated productive lives of the commercial harvest which has the following characteristics:

Time lag between planting and commercial harvesting is 3 years, during which period no depreciation is charged.

Duration of commercial harvesting is 30 years.

(iii) Revaluation of Land

Revaluation of the freehold land in Malaysia is carried out at least once in every five years in order to ensure that the book values reflect the market value. Any surplus or deficit arising there from is adjusted through the Capital Accretion Reserve.

2.3.2 Investments

(a) Classification

Investments in subsidiaries and associate companies of the Goodhope Asia Holdings Group are classified as long-term investments. Other investments which are held for yield or capital appreciation are also classified as long-term investments. All other investments are classified as short-term investments.

(b) Valuation

All long-term investments including unquoted investments are stated in the Balance Sheet at cost, where the cost of the investment is the cost of

acquisition inclusive of brokerage fees, duties and bank fees less any amounts written off to reflect any permanent diminution in value of such investments.

The carrying amount of long-term investments is reduced to recognize a decline other than temporary in the value of investments, determined on an individual investment basis.

(c) Market Value/Valuation of the Investment Portfolio

The market values of the investment portfolio are based on the following:

- (i) Marketable Equity Securities are stated at the values published in the Official Valuation List of the Colombo Stock Exchange as at the Balance Sheet date. Where an official valuation is not available the market value is stated at the last transacted price.
- (ii) Unquoted investments are stated at cost unless otherwise stated.

2.3.3 Short-Term Deposits

Short-term deposits in the Balance Sheet comprise short-term deposits with an original maturity of three months or less.

Notes to the Financial Statements

2.3.4 Inventories

Inventories except for fresh fruit bunches are stated at cost or net realisable value whichever is lower, after making due allowance for obsolete and slow moving items. Fresh fruit bunches are stated at since realised values.

The value of consumables is determined on a weighted average basis.

2.3.5 Trade and Other Receivables

Trade and other receivables are stated at the amounts estimated to be realised. Where necessary, provisions are made for bad and doubtful debts.

Other receivables and dues from related parties are recognized at cost less allowances for bad and doubtful receivables.

2.3.6 Cash & Cash Equivalents

For the purposes of the Cash Flow Statement, cash & cash equivalents comprise of cash at banks and in hand, short-term deposits with banks, net of bank overdrafts and overnight borrowings.

Interest paid and received and dividend received are classified as operating cash flows while

dividend paid are classified as financing cash flows for the purpose of presentation of Cash Flow Statement, reported based on the indirect method.

2.3.7 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 such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

2.4 Liabilities and Provisions

Liabilities classified as current liabilities in the Balance Sheet are those obligations payable on demand or within one year from the Balance Sheet date. Items

classified as non-current liabilities are those obligations which become payable beyond a period of one year from the Balance Sheet date.

All known liabilities have been accounted for in preparing these Financial Statements. Provisions and liabilities are recognized when the Company has a legal or constructive obligation as a result of past events and it is probable that an outflow of economic benefits will be required to settle the obligation.

2.4.1 Retirement Benefit Obligations

(a) Defined Benefit Plans -

Retirement Gratuity

Gratuity is a defined benefit plan. The Company is liable to pay gratuity in terms of relevant statute.

The Company's operations in Malaysia are liable to pay Retirement Gratuity where employees have served in the Company's operations in Malaysia for more than five years and upon fulfilling the conditions in the Malaysian Agricultural Producers' Association and National Union Plantation Worker's Agreements.

In order to meet this liability, a provision is carried forward in the Balance Sheet in a manner computed using the prescribed formulae in Appendix E of SLAS 16 (Revised).

The resulting difference between brought forward provision at the beginning of the year, net of any payment made, and the carried forward provision at the end of a year, is dealt with in the Income Statement.

The gratuity liability is not funded.

(b) Defined Contribution Plans - EPF

All employees who are eligible for Defined Provident Fund contributions in Malaysia are covered by relevant contribution funds in line with the relevant statutes.

Employer's contribution to the Provident Fund covering the employees is recognized as an expense in the Income Statement in the year in which it is incurred.

2.4.2 Capital Commitments and Contingencies

All material capital commitments and contingent liabilities which exist as at the Balance Sheet date

Notes to the Financial Statements

are disclosed in the respective Notes to the Financial Statements.

2.5 Income Statement

2.5.1 Revenue

Revenue represents proceeds from sale of fresh fruit bunches from Malaysian operations and investment income from Sri Lankan operations.

2.5.2 Revenue Recognition

Revenue is recognized 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. The following specific criteria are used for the purpose of recognition of revenue:

Sale of fresh fruit bunches - upon delivery and acceptance by customers.

Dividend income - when the shareholders' right to receive dividend is established.

Interest income - accrued on a time proportionate basis.

Other income - on an accrual basis

Net gains and losses of a revenue nature, resulting from disposal of property, plant & equipment have been accounted for in the Income Statement.

Gains or losses on the disposal of investments are accounted for in the Income Statement on the basis of realized net profit.

Gain on return of long term funds advanced towards share capital has been accounted as other income in the Income Statements.

2.5.3 Expenditure Recognition

The expenses are recognized on an accrual basis. All expenditure incurred in the ordinary course of business and in maintaining the property, plant & equipment in a state of efficiency has been charged to income in arriving at the profit for the year.

For the purpose of presentation of the Income Statement the Directors are of the opinion that "function of expenses" method presents fairly the elements of the Company's performance, and hence such presentation method is adopted.

2.6 Segment Reporting

A segment is a distinguishable component of the Company that is engaged either in providing products or services (Industry Segment), or in providing products or services within a particular economic environment (Geographical Segment), which is subject to risks and rewards that are different from those of other segments. Segment information for identifiable operating units of the Company is disclosed in Note 19 to the Financial Statements.

The primary segment of the Company is considered as Industry Segment.

2.7 Related Party Disclosures

Disclosures are made in accordance with SLAS 30.

2.8 Critical Accounting Estimates and Judgments

The preparation of Financial Statements in conformity with SLAS, requires management to make estimates/judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Estimates/Judgments made by management in the application of SLAS that have a significant effect on the Financial Statements are mentioned below:

	Policy	Note
Property, plant & equipment valuation and depreciation	2.3.1	9
Deferred tax	2.2.2	16
Impairment of assets	2.3.7	-
Employee benefit liabilities	2.4.1	17
Determination and conversion of foreign currency	2.2.1	8
Investment	2.3.2	11

Notes to the Financial Statements

2.9 Sri Lanka Accounting Standards Effective from 1st January 2012

The Company will be adopting the new Sri Lanka Accounting Standards (new SLAS) comprising LKAS and SLFRS applicable for financial periods commencing from 1st April 2012 as issued by the Institute of Chartered Accountants of Sri Lanka. The Company has commenced reviewing its accounting policies and financial reporting in readiness for the transition. As the Company has a 31st March year end, priority has been given to considering the preparation of an opening Balance Sheet in accordance with the new SLASs as at 01 April 2011. This will form the basis of accounting for the new SLAS in the future, and is required when the Company prepares its first new SLAS compliant Financial Statements for the year ending 31st March 2013. Set out below are the key areas where accounting policies will change and may have an impact on the Financial Statements of the Company. The Company is in the process of quantifying the impact on the Financial Statements arising from such changes in Accounting Policies.

(a) SLFRS 1 – First Time Adoption of Sri Lanka Accounting Standards requires the Company to prepare and present opening new SLFRS Financial Statements at the date of transition to new SLAS. The Company shall use the same Accounting Policies in its opening new SLAS Financial Statements and throughout all comparable periods presented in its first new SLAS Financial Statements.

LKAS 1 – Presentation of Financial Statements requires an entity to present, in a Statement of Changes in Equity, all owner changes in equity. All non owner changes in equity are required to be presented in one Statement of Comprehensive Income or in two statements (a separate Income Statement and a Statement of Comprehensive Income). Components of comprehensive income are not permitted to be presented in the Statement of Changes in Equity. This standard also requires the Company to disclose information that enables users of its Financial Statements to evaluate the entity's objectives, policies and processes for managing capital.

(b) LKAS 41 - Agriculture will be applied in the local context for fair valuation of biological assets and agricultural produce when they relate to agriculture activity.

The Standard defines Agricultural Activity as the management by an entity of the biological transformation and harvest of biological assets for sale or for conversion into agricultural produce or into additional biological assets. Hence this Standard can be applied where there have been active management of the biological assets covered by the Agricultural Activity. LKAS 41 permits the fair valuation of managed biological assets in a plantation.

(c) LKAS 16 – Property plant & equipment requires a company to initially measure an item of property plant & equipment at cost, using the cash price equivalent at the recognition date. If payment is deferred beyond normal credit terms, the difference between the cash price equivalent and the total payment is recognized as interest over the period, unless such interest is capitalized in accordance with LKAS 23 - Borrowing Costs.

All site restoration costs including other environmental restoration and similar costs must be estimated and capitalized at initial recognition, in order that such costs can be depreciated over the useful life of the asset.

This standard requires depreciation of assets over their useful lives, where the residual value of assets is deducted to arrive at the depreciable value. It also requires that significant components of an asset be evaluated separately for depreciation.

(d) LKAS 32 – Financial Instruments: Presentation, LKAS 39 – Financial Instruments: Recognition & Measurement and SLFRS 7 – Disclosures will result in changes to the current method of recognizing financial assets, financial liabilities and equity instruments. These standards will require measurement of financial assets and financial liabilities at fair value at initial measurement. The subsequent measurement of financial assets classified as fair value through profit and loss and available for sale will be at fair value, with the gains and losses routed through the Statements of Comprehensive Income and other

Notes to the Financial Statements

comprehensive income respectively.

Financial assets classified as held to maturity and loans and receivables will be measured subsequently at amortized cost.

These assets will need to be assessed for any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') coupled with a reliable estimate of the loss event (or events) impact on the estimated future cash flows of the financial asset or group of financial assets . As such the current method of assessing for impairment will have to be changed to meet the requirements of these new standards.

Financial liabilities will be either classified as fair value through profit or loss or at amortized cost. At present, the Company does not identify, categorize and measure financial assets and liabilities as per the requirements of the standard and also does not recognize certain derivative instruments on the Balance Sheet.

(e) LKAS 12 – Income Tax requires deferred tax to be provided in respect of temporary differences which will arise as a result of adjustments made to comply with the new SLAS.

The Institute of Chartered Accountants of Sri Lanka has resolved an amendment to Sri Lanka Accounting Standard 10, whereby the provision contained in paragraphs 30 and 31 of SLAS 10 – Accounting Policies, Changes in Accounting Estimates and Errors, would not be applicable for Financial Statements prepared in respect of financial periods commencing before 1st January 2012 and hence the impact of this transition is not required to be disclosed in these Financial Statements.

<i>For the year ended 31 March</i>		2012	2011
		Rs. '000	Rs. '000
3. REVENUE			
Oil Palm:			
Sale of fresh fruit bunches	344,248		334,434
Investments:			
Dividend income	50,007		43,624
Interest income	2,740		3,531
	396,995		381,589
4. OTHER INCOME AND GAIN/(LOSSES)			
Sundry Income	676		171
Loss on disposal of Assets held for sale	-		(6,133)
Gain from return of long-term advances made towards share capital	46,258		-
Gain from Foreign Currency Translation	44,587		-
	91,521		(5,962)
5. PROFIT BEFORE TAXATION			
is stated after charging all expenses including the following;			
Depreciation (Note 9)	3,605		3,494
Management fees	3,578		3,457
Auditors' remuneration			
Audit fee for the current year	550		524
Directors' fees	200		200
Personnel costs (Note 5.1)	19,467		13,363
5.1 PERSONNEL COSTS			
Salaries, wages and other staff related expenses	18,923		12,866
Defined contribution plan expenses - EPF	487		430
Retirement benefit obligations (Note 17)	57		67
	19,467		13,363
6. TAXATION			
6.1 Current income tax			
Tax on current year profit (Note 6.2)	61,375		63,500
Deferred income tax			
Provision/(reversal) during the year (Note 16)	(340)		(885)
	61,035		62,615

Notes to the Financial Statements

<i>For the year ended 31st March</i>	2012 Rs. '000	2011 Rs. '000
6.2 Reconciliation of Accounting Profit with Taxable Profit		
Profit before taxation	382,234	267,681
Less: Aggregate of dividend income, FCBU interest income and other non taxable items	(53,369)	(45,462)
Gain from return of long-term advance made towards share capital		
- Capital nature	(46,258)	-
Aggregate of tax allowable claims	(2,109)	(284)
Investment income	(822)	(1,693)
Add: Aggregate of tax disallowable expenses	18,729	18,102
Tax adjusted profit from operations	298,405	238,344
Total Statutory Income	298,405	238,344
Taxable income	298,405	238,344
Taxation in Sri Lanka		
Taxation on operational profits	35,809	35,752
Taxation on investment/interest income	230	593
Social Responsibility Levy	-	677
Previous year over provision	(311)	(616)
	35,728	36,406
Tax credit claimed (Note 6.3(a) and (b))	(35,809)	(35,752)
Taxation in Malaysia	61,456	62,846
Total Tax Charge	61,375	63,500

6.3 Taxation of Profits

- a) The provision for taxation on profits from plantation activities is based on the Company's liability to income tax in Malaysia.

Profits from plantation activities are liable to tax in Malaysia at a rate of 25% (2011 - 25%). During the year ended 31 March 2012, as provided for under Section 46 of the Inland Revenue Act No. 10 of 2006, these profits are liable to tax in Sri Lanka at 12% (2011 - 15%).

- (b) In terms of the double tax treaty agreement entered into between the Governments of Sri Lanka and Malaysia, the Company is entitled to claim credit for tax paid in Malaysia, when calculating the Company's tax liability in Sri Lanka on profits from plantation in Malaysia .
- (c) In terms of Section 9 & 10 of the Inland Revenue Act No. 10 of 2006, and amendments thereto, dividend and interest income received from Malaysia is exempt from income tax.
- (d) Profit of the Company, other than such referred to in Note 6.3 (a) and (c) are liable to tax at a rate of 28% (2011 - 35%).

6.4 Dividend Tax

Dividend distribution consists of a distribution of operational profits and a redistribution of dividend income. Redistribution of dividend income received from an already taxed source is not liable to dividend tax.

7. EARNINGS PER ORDINARY SHARE

The Earning per share is calculated on the profit after taxation over the weighted number of ordinary shares in issue during the year.

The following reflects the income and share data used for the computation of Earnings per Ordinary Share.

<i>For the year ended 31st March</i>	2012 Rs.	2011 Rs.
Amount used as the Numerator		
Profit attributable to ordinary shareholders	321,198,958	205,066,194
Number of Ordinary Shares used as the Denominator (Note 13)	6,940,080	6,940,080
Earnings Per ordinary Share (Rs.)	46.28	29.55

* Includes non-recurring items described in Note 4 on page 43 of the Financial Statements.

7.1 Dividends Paid or Proposed Dividends paid during the year

Final dividend for 2011: Rs.20.60 per share

(2010: Rs 12.50 per share)

142,966 86,751

Interim dividend for 2012: Rs 30.80

(2011: Rs 21.91 per share)

213,754 152,057

Proposed for approval at Annual General Meeting

(not recognised as a liability as at 31st March 2012)

2012: Rs. 29.50 (2011: Rs. 20.60 per share)

204,732 142,966

Dividend per share is calculated by considering both proposed and interim paid dividend during the year.

8. FOREIGN CURRENCY TRANSLATIONS

The Accounting Policy on conversion of foreign currencies is shown under Note 2.2.1 of summary of significant accounting policies.

The principal exchange rates used for conversion of foreign currency balances are as follows:

<i>As at 31st March</i>	Closing Rate 2012 Rs.	2011 RS.
Malaysian Ringgit	42.29	36.47
Sterling Pound	205.93	177.96
US Dollar	130.20	110.46

Notes to the Financial Statements

9. PROPERTY, PLANT & EQUIPMENT

	Freehold Land	Buildings	Plant & Machinery	Furniture, Fittings & Equipment	Motor Vehicles	Mature Plantation	Total 31st March 2012	Total 31st March 2011
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Cost/Valuation								
Beginning of the year	1,409,045	22,395	1,430	5,070	6,053	98,357	1,542,350	1,461,621
Additions	40,344	-	-	552	-	-	40,896	1,953
Currency translation	224,672	3,571	228	906	965	-	230,342	78,776
End of the year	1,674,061	25,966	1,658	6,528	7,018	98,357	1,813,588	1,542,350
Depreciation								
Beginning of the year	-	18,513	1,340	5,070	6,053	17,167	48,143	42,963
Charge for the year	-	290	12	28	-	3,275	3,605	3,494
Currency translation	-	2,995	215	812	965	-	4,987	1,685
End of the year	-	21,798	1,567	5,910	7,018	20,442	56,735	48,142
Net Book Value								
As at 31st March 2012	1,674,061	4,168	91	618	-	77,915	1,756,853	
As at 31st March 2011	1,409,045	3,882	91	-	-	81,190		1,494,208

9. PROPERTY, PLANT & EQUIPMENT (Contd.)

- i) The carrying value of the freehold land, if it was carried at historical cost would be Rs. 52.07 mn (2011: Rs. 11.73 mn)
- ii) The Company's plantation had the right of way over the road stretch of the adjacent land for its access. Having negotiated, the Company has now acquired full title to the said road stretch/land at a total cost equivalent to Rs. 40.34 mn (RM 953,960) and has been capitalized under property, plant and equipment in the Balance Sheet.
- iii) Property, plant and equipment includes fully depreciated assets of Rs. 33.72 mn (2011: Rs. 27.49 mn).
- iv) The freehold land in Malaysia was revalued on an existing use basis as at 31st March 2012 subsequent to the last detailed revaluation on 31st March 2009 by Encik W.M. Malik, member of the Institution of Surveyors, Malaysia, a partner with W. M. Malik and Kamaruzuman. The carrying value of the freehold land approximates its fair value.
- v) The total revaluation surplus over the book value has been credited to the Capital Accretion Reserve and included under Capital Reserves.
- vi) Depreciation of mature plantation commences three years after capitalizing limited life land development cost.
- vii) All property, plant & equipment are located in Malaysia
- (viii) The freehold land situated in Malaysia has been charged to Standard Chartered Bank, Singapore, to secure credit facilities obtained by the immediate holding company, Goodhope Asia Holdings Ltd, in order to facilitate the Group's expansion program of the plantation asset base, which includes PT Agro Indomas and PT Agro Bukit and refinance the Group's debt obligation in Note 24 on pages 55 & 56.

<i>As at 31st March</i>	2012 Rs. '000	2011 Rs. '000
-------------------------	--------------------------	--------------------------

10. ASSETS HELD FOR SALE

Beginning of the year	-	168,000
Disposal during the year	-	(168,000)
End of the year	-	-

The assets held for sale (the land situated in Seeduwa) has been disposed for a net consideration of Rs. 161.80 mn on 30th June 2010. Said transaction has resulted in a net loss of Rs. 6.13 mn for the year 2011.

11. LONG TERM INVESTMENTS

11.1 Movements in Long-Term Investments

	Quoted Related	Unquoted Related	Total as at 31st March 2012	Total as at 31st March 2011
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Beginning of the year (cost)	265,138	93,146	358,284	358,284
End of the year (Note 12.2)	265,138	93,146	358,284	358,284

As at 31st March

As at 31st March	2012			2011		
	No. of Shares	Cost Rs. '000	Market value/ Directors'	No. of Shares	Cost Rs. '000	Market value/ Directors'
			valuation Rs. '000			valuation Rs. '000
11.2 Investment Portfolio						
QUOTED INVESTMENTS - RELATED						
Oil Palm						
Shallimar (Malay) PLC	744,984	265,138	670,411	744,984	265,138	617,592
Total investments in quoted companies						
		265,138	670,411		265,138	617,592
UNQUOTED INVESTMENTS - RELATED*						
Ordinary Shares						
Shallimar Developments Sdn. Bhd.	525,652	93,146	93,146	525,652	93,146	93,146
TOTAL INVESTMENT PORTFOLIO						
		358,284	763,557		358,284	710,738

The market value of the Company's investment portfolio has been obtained from the Official Valuation List as at 31st March 2012 and 2011 published by the Colombo Stock Exchange.

* The investments are reflected at cost.

Directors valuation is based on initial cost of the investment.

12. TRADE AND OTHER RECEIVABLES

As at 31st March

	2012			2011		
	Current Rs. 000	Non Current Rs.000	Total Rs.000	Current Rs. 000	Non Current Rs.000	Total Rs.000
Trade receivables	7,309	-	7,309	20,694	-	20,694
Deposits and prepayments	1,793	-	1,793	2,381	-	2,381
	9,102	-	9,102	23,075	-	23,075
Other Receivables - Related Company						
Carson Cumberbatch PLC	83	-	83	-	-	-
Shalimar Developments Sdn. Bhd.	-	-	-	-	199,472	199,472
	9,185	-	9,185	23,075	199,472	222,547

To be able to facilitate the Group's expansion plans in Indonesia, your Company had advanced funds to Shalimar Developments Sdn. Bhd. (SDSB) in the past with the intention of progressively capitalizing these funds as equity. As these Indonesian plantations have now reached maturity and have an improved cash flow position, the un-capitalized amount has been repatriated to the Company in the year under review.

Notes to the Financial Statements

<i>As at 31st March</i>	2012 Rs.000	2011 Rs.000
13. STATED CAPITAL		
Issued and Fully Paid		
Ordinary		
6,940,080 Ordinary Shares	69,401	69,401
	69,401	69,401
14. CAPITAL RESERVES		
Capital accretion reserve	1,666,260	1,447,810
	1,666,260	1,447,810
15. REVENUE RESERVE		
Currency translation reserve	26,108	18,116
Retained profits	688,318	723,839
	714,426	741,955

Movements of the above reserves are given in the Statement of Changes in Equity.

16. DEFERRED TAX ASSETS, LIABILITIES AND INCOME TAX

	Balance Sheet		Income Statement	
	2012	2011	2012	2011
	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Deferred Tax Liability				
Capital allowances for tax purposes	20,022	20,675	(654)	(697)
	20,022	20,675		
Deferred Tax Assets				
Defined Benefit Plans and Ex-gratia provision	(300)	(613)	314	(188)
	(300)	(613)		
Effect of Exchange Rate movement	(20)	(4)	-	-
Deferred income tax income/(expense)		-	(340)	(885)
Net Deferred Tax Liability	19,702	20,058		

<i>For the year ended 31st March</i>	2012 Rs. '000	2011 Rs. '000
17. RETIREMENT BENEFIT OBLIGATIONS		
Charge for the year	104	130
Interest charge for the year	35	30
(Gain)/loss arising from the changes in assumptions	(82)	(93)
	57	67
Beginning of the year	870	757
Charge for the year	104	130
(Gain)/loss arising from changes in the assumptions	(82)	(93)
Interest charge for the year	35	30
Exchange loss	128	46
End of the year	1,055	870

The Company has calculated the defined benefit plan gratuity liability in accordance with the Formula Method as described in Appendix (E) of SLAS 16 (Revised) for the year ended 31 March 2012 and 31st March 2011. Appropriate and compatible assumptions were used in determining the liability of retirement benefits.

The principle assumptions used were as follows,

	2012	2011
Discount rate	4%	4%
Future salary increment rate	3%	3%
Staff turnover rate	9%	13%

18. TRADE PAYABLES AND ACCRUALS

<i>As at 31st March</i>	2012 Rs. '000	2011 Rs. '000
Trade payables	2,524	11,269
Accrued expenses	3,495	3,914
Unclaimed dividend	15,325	7,658
Other creditors - Amounts due to Related Companies		
	Relationship	
Carsons Management Services (Pvt) Ltd	Group Company 69	69
	21,413	22,910

Notes to the Financial Statements

19. SEGMENTAL REPORTING
(A) INDUSTRY

	Palm Oil		Investments		Company	
	2012 Rs. '000	2011 Rs. '000	2012 Rs. '000	2011 Rs. '000	2012 Rs. '000	2011 Rs. '000
Revenue						
External revenue	344,248	334,434	52,747	47,155	396,995	381,589
	344,248	334,434	52,747	47,155	396,955	381,589
Result						
Segment result	240,961	231,849	141,273	35,832	382,234	267,681
Taxation	(60,804)	(61,962)	(231)	(653)	(61,035)	(62,615)
	180,157	169,887	141,042	35,179	321,199	205,066
Other Information						
Segment assets	2,053,165	1,691,585	440,249	614,760	2,493,414	2,306,345
Segment liabilities	27,031	38,144	16,296	9,037	43,327	47,181
Capital expenditure	552	1,953	-	-	552	1,953
Depreciation	3,605	3,494	-	-	3,605	3,494
Retirement benefit/(charge)	57	67	-	-	57	67

(B) GEOGRAPHICAL*For the year ended 31st March*

	Malaysia		Sri Lanka		Company	
	2012 Rs. '000	2011 Rs. '000	2012 Rs. '000	2011 Rs. '000	2012 Rs. '000	2011 Rs. '000
Revenue						
External revenue	344,248	334,434	52,747	47,155	396,995	381,589
	344,248	334,434	52,747	47,155	396,995	381,589
Result						
Segment result	240,961	231,849	141,273	35,832	382,234	267,681
Taxation	(60,804)	(61,962)	(231)	(653)	(61,035)	(62,615)
	180,157	169,887	141,042	35,179	321,199	205,066
Other Information						
Segment assets	2,053,165	1,691,585	440,249	614,760	2,493,414	2,306,345
Segment liabilities	27,031	38,144	16,296	9,037	43,327	47,181
Capital expenditure	552	1,953	-	-	552	1,953
Depreciation	3,605	3,494	-	-	3,605	3,494
Retirement benefit/(charge)	57	67	-	-	57	67

Notes to the Financial Statements

20. CONTRACTS FOR CAPITAL EXPENDITURE

There were no material contracts for capital expenditure as at the Balance Sheet date.

21. ASSETS PLEDGED

There were no assets pledged other than as disclosed under Note 23 of these Financial Statements .

22. EVENTS OCCURING AFTER THE BALANCE SHEET DATE

Proposed Dividend

After satisfying the solvency test in accordance with Section 57 of the Companies Act No. 7 of 2007, the Directors recommended the payment of final dividend of Rs. 29.50 per share for the year ended 31st March 2012. However, in accordance with Sri Lanka Accounting Standard No. 12 (Revised 2005) - Events After the Balance Sheet Date, this proposed final dividend has not been recognized as a liability as at 31st March 2012. This would result in a total outflow of Rs. 204.73 mn subject to approval at the forthcoming Annual General Meeting.

There were no circumstances which required adjustment to or disclosures in these Financial Statements other than that disclosed above.

23. CONTINGENT LIABILITIES

There are no material contingent liabilities other than the following as at the Balance Sheet date of 31 March 2012.

Malaysian plantation properties of Indo-Malay PLC and Selinsing PLC were charged as security to Standard Chartered Bank Singapore to secure a financing facility under Goodhope Asia Holding Ltd. the Company's parent, in order to facilitate the Group's expansion programme of the plantation asset base and to refinance the Group's existing debt obligations.

An internal arrangement was established to ensure equitability amongst the four Malaysian plantation companies (Indo-Malay PLC, Selinsing PLC, Good Hope PLC, and Shalimar (Malay) PLC), with each of the four Malaysian plantation companies counter guaranteeing the combined liability that would crystallize in the event of a successful claim on properties mortgaged by the Company and Indo-Malay PLC. As such total loss incurred by Selinsing PLC in the event of a successful claim is limited to 25% of the combined loss.

24. RELATED PARTY DISCLOSURES

24.1 Transactions with Related Companies

Name of the Company		Relationship	Nature of Transaction	Transaction Value During the Year	Amounts Outstanding As at 31st March
				Rs. '000	Rs. '000
2012					
1	Agro Harapan Lestari Sdn. Bhd. (AHL SB)	Fellow Subsidiary	Management fees, technical support services, sales commission and performance incentive	21,438	-
			Temporary advances	3,596	-
			Expenses incurred on behalf-Net	445	-
2	Shalimar Developments Sdn. Bhd. (SDSB)	Fellow Subsidiary	Return of funds advanced towards share capital	199,472	-
			Dividend income	34,821	-
3	Goodhope Asia Holdings Ltd	Immediate Parent	Dividend paid	340,787	-
			Temporary advances	197,589	-
4	Shalimar (Malay) PLC	Fellow Subsidiary	Dividend income	15,186	-
			Expenses incurred on behalf-Net	381	-
5	AHL Business Solutions (Pvt) Ltd	Fellow Subsidiary	Data processing fee	869	-
6	Carsons Management Services (Pvt) Ltd	Group Company	Secretarial expenses	378	(69)
7	Carson Cumberbatch PLC	Ultimate Parent	Expenses incurred on behalf-Net	83	83
8	PT Agro Indomas	Fellow Subsidiary	Temporary advances	6,081	-
9	Agro Harapan Lestari (Pvt) Ltd	Fellow Subsidiary	Temporary advances	11,905	-
TOTAL amounts due to Related Parties					(69)
TOTAL amounts due from Related Parties					83

To be able to facilitate the Group's expansion plans in Indonesia, your Company had advanced funds to Shalimar Developments Sdn. Bhd. (SDSB) in the past with the intention of progressively capitalizing these funds as equity. As these Indonesian plantations have now reached maturity and have an improved cash flow position, the un-capitalized amount has been repatriated to the Company in the year under review.

Notes to the Financial Statements

24.1 Transactions with Related Companies (Contd.)

Name of the Company	Relationship	Nature of Transaction	Transaction Value During the Year Rs. '000	Amounts Outstanding As at 31st March Rs. '000
2011				
1 Agro Harapan Lestari Sdn. Bhd. (AHLBSB)	Fellow Subsidiary	Management fees, technical support services, sales commission and performance incentive	20,544	
		Expenses incurred on behalf-Net	866	
2 Shalimar Developments Sdn. Bhd. (SDSB)	Fellow Subsidiary	Long-term net (borrowings)/lending * Dividend income	- 36,919	199,472 -
3 Goodhope Asia Holdings Ltd	Immediate Parent	Dividend paid	202,491	-
4 Shalimar (Malay) PLC	Fellow Subsidiary	Dividend income Expenses incurred on behalf-Net	6,705 81	- -
5 AHL Business Solutions (Pvt) Ltd	Fellow Subsidiary	Data processing fee	915	-
6 Carsons Management Services (Pvt) Ltd	Group Company	Secretarial expenses	671	(69)
TOTAL amounts due to Related Parties				(69)
TOTAL amounts due from Related Parties				199,472

* These advances are non-interest bearing and pending capitalization in the future .
There were no material related party transactions other than those disclosed above and in Notes 12, 18 and 24.

24.2 Compensation to Key Management Personnel

	2012 Rs. '000	2011 Rs. '000
Emoluments/Fees	200	200

Key management personnel of the Company are members of its Board of Directors and that of its Parent and Ultimate Parent.

- 24.3** No material transactions have taken place during the year with the parties/entities in which key management personnel or their close family members have control, joint control or significant influence, which require disclosure in these Financial Statements other than those disclosed under Notes 24.1 on page 55 and 24.2 above.

24.4 Share Transactions

a) During the year 2011/12 Goodhope Asia Holdings Ltd (GHL), the Parent Company has acquired 582,911 shares of the company. Accordingly the parent company shareholding has increased from 87.27% to 95.67%. Such share transfers were mainly offered by way of the following voluntary offer.

A voluntary offer was made to the shareholders of the Company on 17th March 2011. The shareholders of the Company were offered Carson Cumberbatch PLC (CCPLC) and Bukit Darah PLC (BDPLC) shares in lieu of their shareholdings in the Company. The Company's shares received by CCPLC and BDPLC via the voluntary offer were transferred to GHL subsequent to the completion of the voluntary offer on 3rd May 2011. Accordingly, 523,251 shares of the Company were transferred to GHL.

b) During the year the key management personnel have disposed 57,099 shares of the Company.

24.5 Off Balance Sheet Items

Guarantees made on behalf of Goodhope Asia Holdings Ltd, has been mentioned in Note 23 on page 54 to these Financial Statements.

Five Year Summary

<i>For the year ended 31st March</i>	2012	2011	2010	2009	2008
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000

Operating Results

Revenue	396,995	381,589	247,418	184,660	247,698
Profit before taxation	382,234	267,681	157,047	92,644	171,422
Taxation	(61,035)	(62,615)	(40,935)	(23,570)	(39,923)
Profit after taxation	321,199	205,066	116,112	69,074	131,499
Dividend Paid - Ordinary	356,720	86,751	20,820	27,205	24,012

As at 31st March

Balance Sheet

Assets

Non-Current Assets

Property, plant & equipment	1,756,853	1,494,208	1,418,660	1,314,350	1,385,917
Investment properties	-	-	-	165,262	165,262
Long-term investments	358,284	358,284	358,284	358,284	358,284
Trade and other receivables	-	199,472	199,472	159,714	107,688
	2,115,137	2,051,964	1,976,416	1,997,610	2,017,151

Current Assets

Assets held for sale	378,277	254,381	108,499	43,436	67,398
	-	-	168,000	-	-
Total Assets	2,493,414	2,306,345	2,252,915	2,041,046	2,084,549

Equity and Liabilities

Stated capital	69,401	69,401	69,401	69,401	69,401
Reserves	2,380,686	2,189,765	2,142,673	1,937,521	1,966,267
	2,450,087	2,259,166	2,212,074	2,006,921	2,035,668

Non-Current Liabilities

Deferred tax liability	19,702	20,058	20,951	15,749	16,517
Retirement benefit obligations	1,055	870	757	783	706
	20,757	20,928	21,708	16,532	17,223

Current Liabilities

	22,570	26,251	19,133	17,593	31,658
Total Equity and Liabilities	2,493,414	2,306,345	2,252,915	2,041,046	2,084,549

For the year ended 31st March

Cash Flow Statements

Net cash inflows (Outflows) from operating activities	281,974	208,448	149,868	(6,134)	55,400
Net cash (outflows)/inflows from investing activities	204,834	159,914	(40,363)	(813)	1,751
Net cash used in financing activities	(349,053)	(233,603)	(20,442)	(26,517)	(23,270)
Net increase/(decrease) in cash and cash equivalents	137,755	134,759	89,063	(33,464)	33,881

<i>For the year ended 31st March</i>	2012	2011	2010	2009	2008
--------------------------------------	-------------	------	------	------	------

Ratios and Statistics

Return on ordinary shareholders' funds (%)	13.11	9.08	5.25	3.44	6.45
Earnings per ordinary share (Rs.)*	46.28	29.55	16.73	9.95	18.95
Current ratio (Times)	16.76	9.69	5.67	2.47	2.12
Quick asset ratio (Times)	16.73	9.66	5.62	2.35	2.05
Dividend per ordinary share (Rs.) (a)	60..30	20.60	12.50	3.72	5.06
Rate of ordinary dividend (%) (a)	603	206.00	125.00	37.20	50.60
Dividend payout (Times)	1.30	0.70	0.75	0.37	0.27
Market value per share (Rs.)	1,100.00	975.10	375.00	135.00	180.25
P/E ratio (Times)	23.77	33.00	22.41	13.56	9.51
Net assets per ordinary share (Rs.)	353.03	325.52	318.74	289.18	293.32
Market capitalization (Rs.'000)	7,634,088	6,767,272	2,602,530	936,910	1,250,949
Net sales average (MYR)	642.83	639.41	465.82	463.08	557.99

Plantation Operations

Mature area (Ha)	485.69	485.69	485.69	485.69	485.69
Immature area (Ha)	-	-	-	-	-
Crop (Tonnes)	14,414	14,618	14,343	12,168	11,479
Yield per Ha (Tonnes) (b)	29.68	30.10	29.53	25.05	23.63

* The earnings per ordinary share is calculated by dividing the profit over the weighted average number of ordinary shares in issue during the year and includes non-recurring items, described in Note 4 on page 43 of the Financial Statements.

** Net assets per ordinary share is calculated by dividing shareholders' funds by the number of ordinary shares.

(a) Based on proposed dividend/ interim dividend paid.

(b) The yield is computed by taking into account the average mature hectares during the year.

Statement of Value Added

<i>For the year ended 31st March</i>	2012		2011	
	Rs. '000	%	Rs. '000	%
Revenue	396,995		381,589	
Other income	91,521		-	
	488,517		381,589	
Bought in materials and services	(83,211)		(97,044)	
	405,306		284,545	
Distributed as follows:				
To Employees				
as remuneration	19,467	4.80	13,363	4.70
To Government				
as taxation	61,375	15.14	63,500	22.32
To Shareholders				
as ordinary dividends	356,720	88.01	238,808	83.93
Retained in the Business				
as depreciation	3,605	0.89	3,503	1.23
as deferred tax	(340)	-0.08	(885)	(0.31)
as retained profits	(35,521)	-8.76	(33,744)	(11.86)
	405,306	100	284,545	100

The Statement of Value Added shows the quantum of wealth generated by the activities of the Company and its application.

US\$ Financials

Preparation of US Dollar Financials

The Financial Statements of the Company are stated in Sri Lankan Rupees. The translation of the Sri Lankan Rupee amounts into US Dollars is included solely for the convenience of Shareholders, Investors, Bankers and other users of Financial Statements.

US Dollar financials do not form part of the Audited Financial Statements of the Company.

Income Statement

<i>For the year ended 31st March</i>	2012 US\$	2011 US\$
Revenue	3,564,056	3,400,564
Direct operating costs	(721,757)	(701,069)
Gross profit	2,842,299	2,699,495
Other income and gains	739,447	(52,428)
	3,581,746	2,647,067
Administrative expenses	(228,897)	(262,771)
Profit before taxation	3,352,849	2,384,296
Income tax expense	(548,304)	(558,381)
Profit for the year	2,804,545	1,825,915

Figures in brackets indicate deductions.

Balance Sheet

<i>As at 31 March</i>	2012 US\$	2011 US\$
Assets		
Non-Current Assets		
Property, plant and equipment	13,493,499	13,528,362
Long-term investments	3,525,410	3,525,410
Trade and other receivables	-	1,805,993
Total non-current assets	17,018,909	18,859,765
Current Assets		
Inventories	5,448	6,157
Trade and other receivables	70,539	208,917
Cash and cash equivalents	2,829,345	2,088,056
Total current assets	2,905,332	2,303,130
Assets held for sale	-	-
Total Assets	19,924,241	21,162,895
Equity and Liabilities		
Stated capital and reserves		
Stated capital	923,888	923,888
Capital reserves	12,797,698	13,108,282
Revenue reserves	5,869,886	6,703,557
Total equity	19,591,472	20,735,727
Non-Current Liabilities		
Deferred tax liability	151,319	181,601
Retirement benefit obligation	8,097	7,872
Total non-current liabilities	159,416	189,473
Current Liabilities		
Trade payables and accruals	164,463	207,422
Taxation payable	8,890	30,273
Total current liabilities	173,353	237,695
Total Equity and Liabilities	19,924,241	21,162,895

Notes to the Financial Statements

1. BASIS OF CONVERSION

The translation of Sri Lankan Rupee amounts into US Dollar amounts is solely for the convenience of the shareholders, investors, bankers and other users of Financial Statements.

The translation of the Financial Statements into US Dollars was affected based on the following exchange rates:

		2012 Rs.	2011 RS.
Income statement	Average rate	111.88	112.13
Monetary assets and liabilities	Closing rate	130.20	110.46
Non-current assets and liabilities	Closing rate	130.20	110.46

Gains or losses on conversions are accounted for in the revenue reserve.

2. REVENUE RESERVE

	2012 US\$	2011 US\$
Beginning of the year	6,703,557	6,437,622
Currency fluctuations	60,862	(741,467)
Currency translation reserve	(723,564)	(60,862)
Net profit for the year	2,804,545	1,825,915
Ordinary dividend	(2,975,514)	(757,651)
End of the year	5,869,886	6,703,557

3. SEGMENTAL REPORTING (A) INDUSTRY

	Palm Oil		Investments		Company	
	2012 US\$	2011 US\$	2012 US\$	2011 US\$	2012 US\$	2011 US\$
Revenue						
External revenue	3,087,810	2,985,674	476,246	414,890	3,564,056	3,400,564
	3,087,810	2,985,674	476,246	414,890	3,564,056	3,400,564
Result						
Segment result	2,163,830	2,069,679	1,189,019	314,617	3,352,849	2,384,296
Taxation	(547,573)	(552,625)	(731)	(5,756)	(548,304)	(558,381)
	1,616,257	1,517,054	1,188,287	308,861	2,804,545	1,825,915
Other Information						
Segment assets	16,542,923	15,315,395	3,381,318	5,847,500	19,924,241	21,162,895
Segment liabilities	207,610	345,346	125,159	81,822	332,769	427,168
Capital expenditure	4,240	17,682	-	-	4,240	17,682
Depreciation	27,688	31,152	-	-	27,688	31,152
Retirement benefits/(charge)	438	668	-	-	438	668

Notes to the Financial Statements

3. SEGMENTAL REPORTING (Contd.)
(B) GEOGRAPHICAL

	Malaysia		Sri Lanka		Company	
	2012 US\$	2011 US\$	2012 US\$	2011 US\$	2012 US\$	2011 US\$
Revenue						
External revenue	3,087,810	2,985,674	476,246	414,890	3,564,056	3,400,564
	3,087,810	2,985,674	476,246	414,890	3,564,056	3,400,564
Result						
Segment result	2,163,830	2,069,679	1,189,019	314,617	3,352,849	2,384,296
Taxation	(547,573)	(552,625)	(731)	(5,756)	(548,304)	(558,381)
	1,616,257	1,517,054	1,188,287	308,861	2,804,545	1,825,915
Other Information						
Segment assets	16,542,923	15,315,395	3,381,318	5,847,500	19,924,241	21,162,895
Segment liabilities	207,610	345,346	125,159	81,822	332,769	427,168
Capital expenditure	4,240	17,682	-	-	4,240	17,682
Depreciation	27,688	31,152	-	-	27,688	31,152
Retirement benefits/(charge)	438	668	-	-	438	668

Five Year Summary US\$

For the year ended 31st March	2012 US\$	2011 US\$	2010 US\$	2009 US\$	2008 US\$
-------------------------------	--------------	--------------	--------------	--------------	--------------

Operating Results

Revenue	3,564,056	3,400,564	2,165,774	1,680,102	2,244,649
Profit before Taxation	3,352,849	2,384,296	1,374,711	842,922	1,553,440
Taxation	(548,304)	(558,381)	(358,324)	(214,449)	(361,785)
Profit after Taxation	2,804,545	1,825,915	1,016,387	628,473	1,191,655
Dividends - Ordinary	2,975,514	757,651	182,248	247,539	217,599

As at 31st March

Balance Sheet

Assets

Non-Current Assets

Property, plant & equipment	14,493,499	13,528,362	12,444,386	11,359,986	12,850,413
Investment properties	-	-	-	1,428,363	1,532,332
Other investments	3,525,410	3,525,410	3,142,846	3,096,667	3,322,058
Trade and other receivables	-	1,805,993	1,749,754	1,380,414	998,497

17,018,909 18,859,765 17,336,986 17,265,430 18,703,300

Current Assets **2,905,332** 2,303,130 951,746 375,410 624,924

Assets held for sale - - 1,473,684 - -

Total Assets **19,924,241** 21,162,895 19,762,416 17,640,840 19,328,224

Equity and Liabilities

Stated capital **923,888** 923,888 923,888 923,888 923,888

Reserves **18,667,584** 19,811,839 18,480,271 16,439,950 17,951,104

19,591,472 20,735,727 19,404,159 17,363,838 18,874,992

Non-Current Liabilities

Deferred tax liability **151,319** 181,601 183,783 136,120 153,148

Retirement benefit obligations **8,067** 7,872 6,640 6,765 6,546

159,416 189,473 190,423 142,885 159,694

Current Liabilities **173,353** 237,695 167,834 134,117 293,538

Total Equity and Liabilities **19,924,241** 21,162,895 19,762,416 17,640,840 19,328,224

Five Year Summary US\$

<i>For the year ended 31st March</i>	2012	2011	2010	2009	2008
	US\$	US\$	US\$	US\$	US\$

Cash Flow Statements

Net cash inflows/(outflows) from operating activities	1,266,451	1,836,824	1,315,510	(53,022)	513,678
Net cash (outflows)/inflows from investing activities	1,830,837	1,447,845	(354,061)	(7,023)	16,234
Net cash used in financing activities	(2,959,534)	(2,037,805)	(179,316)	(229,187)	(215,763)
Increase/(decrease) in cash and cash equivalents	137,754	1,246,864	782,133	(289,232)	314,149

Ratio and Statistics

Return on ordinary shareholders' funds (%)	14.32	8.81	5.24	3.61	6.31
Earnings per ordinary share (US\$)	0.40	0.26	0.15	0.09	0.17
Current ratio (times)	16.76	9.69	5.67	2.79	2.12
Dividend per ordinary share (US\$)	0.54	0.18	0.11	0.03	0.05
Rate of ordinary dividend (%)	603.00	206.00	125.00	37.20	50.60
P/E ratio (times)	20.91	33.55	22.41	13.56	9.51
Market value per share (US\$)	8.45	8.83	3.29	1.25	1.67
Net assets per ordinary share (US\$)	2.82	2.99	2.80	2.50	2.72
Market capitalization (US\$ '000)	58,634	61,264	22,833	8,687	11,599

Information to Shareholders and Investors

1. Stock Exchange Listing

Selinsing PLC, is a Public Quoted Company, the ordinary shares of which are listed on the main board of the Colombo Stock Exchange of Sri Lanka.

2. Share Valuation

Market value of the Company Shares as at 31st March 2012 was Rs. 1,100 per share (2011: Rs. 975.10).

3. Shareholders

<i>As at 31st March</i>	2012	2011
No. of Ordinary Shareholders	270	348

The number of ordinary shares held by non-residents as at 31st March 2012 was 6,776,927 which amounts to 97.65% of the total number of ordinary shares.

Resident/Non-Resident Shareholders as at 31st March 2012

Distribution of Shares	Residents			Non-Residents			Total		
	No. of Members	No. of Shares	%	No. of Members	No. of Shares	%	No. of Members	No. of Shares	%
1 - 1,000	227	21,420	0.31	3	900	0.01	230	22,320	0.32
1,001 - 10,000	19	68,653	0.99	13	59,881	0.86	32	128,534	1.85
10,001 - 100,000	4	73,080	1.05	3	76,593	1.11	7	149,673	2.16
100,001 - 1,000,000	-	-	-	-	-	-	-	-	-
Above 1,000,000	-	-	-	1	6,639,553	95.67	1	6,639,553	95.67
Grand Total	250	163,153	2.35	20	6,776,927	97.65	270	6,940,080	100.00

Categorization of Shareholders

	No. of Shareholders	Ordinary No. of Shares	%
Individuals	249	274,065	3.95
Institutions	21	6,666,015	96.05

Percentage of ordinary shares held by the public as at 31st March 2012 was 4.33%.

Information to Shareholders and Investors

4. Market Performance - Ordinary Shares

<i>For the year ended 31st March</i>	2012	2011
Highest (Rs.)	1,840	1,475
Lowest (Rs.)	1,001	260
Volume traded (Shares)	1,120,562	59,200
Number of trades	161	296
Value of shares traded (Rs. '000)	1,223,186	41,816

5. Market Capitalization

Market capitalization of the Company, which is the number of ordinary shares multiplied by the market value of a share was Rs. 7,634.08 mn as at 31st March 2012 (2011: Rs. 6,767.27 mn).

6. Proposed Final Dividends - Ordinary

The Directors recommend a final dividend of Rs. 29.50 per share for the year ended 31st March 2012.

7. Record of Scrip Issues

The under mentioned Scrip issues had been made by the Company.

Year ended 31st March	Issue	Basis	No. of Ordinary Shares	Cumulative Ordinary Share Capital Rs.
1994	-	-	803,250	8,032,500
1995	Bonus	01:03	267,750	10,710,000
1998	Bonus	01:02	535,500	16,065,000
1999	Bonus	01:01	1,606,500	32,130,000
2003	Bonus	01:05	642,600	38,556,000
2003 May	Bonus	01:05	771,120	46,267,200
2004 March	Bonus	01:02	2,313,360	69,400,800
Total Shares in Issue			6,940,080	

8. Malaysian Property

8.1 The gross area of the Oil Palm Plantation is 485.69 Ha.

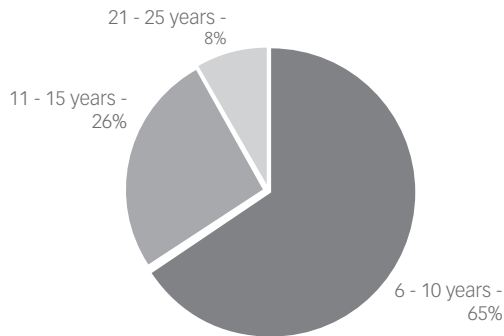
8.2 The plantation is situated in the State of Perak, District of Krian and Larut Matang.

- 8.3** The carrying value of the property, plant & equipment as at the Balance Sheet date was at Rs. 1,756.85 mn (2011: Rs. 1,494.21 mn) on an existing use basis.

9. Mature and Immature Plantation Aged Analysis

	Mature					Immature	Total
Year	0-5	6-10	11 - 15	16 - 20	Over 25		
Hectares	-	318.11	127.97	-	39.61	-	485.69

Plantation Age Analysis



10. Indonesian Property

PT Agro Indomas, the Company's investment in Indonesia made through Shalimar Developments Sdn. Bhd. (investment vehicle in Malaysia) is located 75 km from Sampit, in close proximity to Terawan and Lampasa villages, in the District of Danua Sembuluh, in the regency of Seruyan in Central Kalimantan Province, Indonesia.

PT Agro Indomas has a land area of 35,860 Ha of which the gross planted area is 22,917 Ha. Operational performance information is given below:

	2012	2011	2010	2009	2008
Crop Production (Tonnes)	480,869	498,012	474,401	348,675	400,616
CPO (Tonnes)	117,514	124,421	121,069	89,449	99,837
PK (Tonnes)	26,384	28,723	28,479	19,286	21,572

Glossary of Financial Terms

Capital Reserves

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

Cash Equivalents

Liquid investments with original maturities of six months or less.

Contingent Liabilities

Conditions or situations at the Balance Sheet date, the financial effects of which are to be determined by future events which may or may not occur.

Current Ratio

Current assets divided by current liabilities.

Quick Ratio

Current assets less inventories divided by current liabilities.

Dividend Per Share

Dividend paid and interim proposed divided by the number of shares in issue which ranked for those dividends.

Dividend Payout

Total interim and proposed dividends divided by profit after tax.

Earnings Per ordinary Share

Profits attributable to ordinary shareholders before extraordinary items

and after preference dividend divided by the weighted average number of ordinary shares in issue, ranking for dividend.

Equity

Shareholders' funds.

Events Occurring after the Balance Sheet Date

Significant events that occur between the Balance Sheet date and the date on which financial statements are authorised for issue.

Market Capitalization

The market value of a Company at a given date obtained by multiplying the share price by the number of shares in issue.

Net Assets Per Share

Total assets less total liabilities divided by the number of ordinary shares in issue.

Net Current Assets

Current assets less current liabilities. Measures the capital required to finance day-to-day operations.

Price Earnings Ratio (P/E)

Market price of a share divided by earnings per share.

Rate of Ordinary Dividend

The Rupee amount of the dividend per share as a percentage of the nominal value of the shares.

Reserves

The total of capital and revenue reserves.

Related Parties

Parties who could control or significantly influence the financial and operating policies/decisions of the business.

Return on Shareholders' Funds

Profit attributable to ordinary shareholders divided by shareholders' funds (total of ordinary share capital and reserves).

Revenue Reserves

Reserves considered as being available for distribution.

Segment

Constituent business units grouped in terms of nature and similarity of operations.

Value Addition

The quantum of wealth generated by the activities of the Company.

Others

CPO - Crude Palm Oil

PK - Palm Kernel

FFB - Fresh Fruit Bunches

Ha - Hectare

MYR - Malaysian Ringgit

MPC – Malaysian Plantation Companies

Notice of Meeting

NOTICE IS HEREBY GIVEN that the ONE HUNDRED AND FIFTH ANNUAL GENERAL MEETING of SELINSING PLC will be held on Thursday the 31st day of May 2012, at 2.30 p.m. at the 8th Floor, No. 65C, Dharmapala Mawatha, Colombo 7, for the following purposes:

1. To receive and adopt the Annual Report of the Board of Directors and the Financial Statements for the year ended 31st March 2012, together with the Report of the Auditors thereon.
2. To declare a dividend as recommended by the Directors.
3. To re-elect Mr.P. C. P. Tissera who retires by rotation in terms of Articles 87 & 88 of the Articles of Association of the Company.
4. To re-appoint Mr. I. Paulraj as a Director of the Company who is over seventy years of age and to consider and if deemed fit to pass the following resolution:

“IT IS HEREBY RESOLVED that the age limit stipulated in Section 210 of the Companies Act No. 7 of 2007 shall not be applicable to Mr. I. Paulraj who is seventy five years of age and that he be re-appointed a Director of the Company from the conclusion of the Annual General Meeting for a further period of one year”.

5. To re-appoint Mr. C.F. Fernando as a Director of the Company who is over seventy years of age and to consider and if deemed fit to pass the following resolution

“IT IS HEREBY RESOLVED that the age limit stipulated in Section 210 of the Companies Act No. 7 of 2007 shall not be applicable to Mr.C.F. Fernando who is seventy seven years of age and that he be re-appointed a Director of the Company from the

conclusion of the Annual General Meeting for a further period of one year”.

6. To re-appoint Messrs. Ernst & Young, Chartered Accountants as Auditors of the Company as set out in Section 154 (1) of the Companies Act No. 7 of 2007 and to authorize the Directors to determine their remuneration.

By Order of the Board,

Carsons Management Services (Pvt) Ltd.

Secretaries

Colombo

20th April 2012

Notes

1. A member is entitled to appoint a proxy to attend and vote instead of him/her. A proxy need not be a member of the Company. A Form of Proxy accompanies this notice.
2. The completed Form of Proxy must be deposited at the Registered Office, No. 61, Janadhipathi Mawatha, Colombo 1, not later than 2.30 p.m. on 29th May 2012.
3. A person representing a Corporation is required to carry a certified copy of the resolution authorising him/her to act as the representative of the Corporation. A representative need not be a member.
4. The transfer books of the Company will remain open.
5. Security Check

We shall be obliged if the Shareholders/ proxies attending the Annual General Meeting, produce their National Identity Card to the security personnel stationed at the entrance.

Form of Proxy

*I/We.....
 of..... being
 *a Member/Members of SELINSING PLC, hereby appoint
 of.....
 bearing NIC No./Passport No..... or failing him/her.

Manoharan Selvanathan	or failing him,
Hariharan Selvanathan	or failing him,
Chrisanta Francis Fernando	or failing him,
Israel Paulraj	or failing him,
Don Chandima Rajakaruna Gunawardena	or failing him,
Palehenalage Chandana Priyankara Tissera,	

As *my/our proxy to attend at the Annual General Meeting of the Company to be held on Thursday the 31st day of May 2012 at 2.30 p.m. at the 8th Floor, No. 65 C, Dharmapala Mawatha, Colombo 07 and any adjournment thereof and at every poll which may be taken in consequence thereof.

	For	Against
1. To adopt the Annual Report of the Board of Directors and the Financial Statements for the year ended 31st March 2012, together with the Report of the Auditors thereon.	<input type="checkbox"/>	<input type="checkbox"/>
2. To declare Rs. 29.50 per share as a final dividend for the financial year ended 31st March 2012 as recommended by the Directors.	<input type="checkbox"/>	<input type="checkbox"/>
3. To re-elect Mr.P.C.P. Tissera who retires by rotation in terms of Articles 87 & 88 of the Articles of Association of the Company.	<input type="checkbox"/>	<input type="checkbox"/>
4. To re-appoint Mr. I. Paulraj who is over seventy years of age as a Director of the Company.	<input type="checkbox"/>	<input type="checkbox"/>
5. To re-appoint Mr. C.F. Fernando who is over seventy years of age as a Director of the Company.	<input type="checkbox"/>	<input type="checkbox"/>
6. To re-appoint Messrs. Ernst & Young, Chartered Accountants as Auditors of the Company as set out in Section 154 (1) of the Companies Act No. 7 of 2007 and to authorize the Directors to determine their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>

Signed this day ofTwo Thousand and Twelve.

.....
 Signature/s

Notes

- * Please delete the inappropriate words.
- A shareholder entitled to attend and vote at a General Meeting of the Company, is entitled to appoint a proxy to attend and vote instead of him/her and the proxy need not be a shareholder of the Company. A proxy so appointed shall have the right to vote on a show of hands or on a poll and to speak at the General Meeting of the shareholders
- A shareholder is not entitled to appoint more than one proxy on the same occasion.
- Instructions are noted on the reverse hereof.

INSTRUCTIONS AS TO COMPLETION

- 1. Kindly perfect the form of proxy after filling in legibly your full name and address, by signing in the space provided. Please fill in the date of signature.
- 2. If you wish to appoint a person other than the Directors as your proxy, please insert the relevant details in the space provided overleaf.
- 3. In terms of Article 69 of the Articles of Association of the Company: The instrument appointing a proxy shall be in writing and -
 - (i) in the case of an individual shall be signed by the Appointor or by his Attorney; and
 - (ii) in the case of a Corporation shall be either under its common seal or signed by its Attorney or by an officer on behalf of the Corporation.

The Company may, but shall not be bound to, require evidence of the authority of any such Attorney or officer.

A proxy need not be a member of the Company.

- 4. In terms of Article 65 of the Articles of Association of the Company;
In the case of joint-holders of a share, the senior who tenders a vote, whether in person or by proxy or by Attorney or by representative, shall be accepted to the exclusion of the votes of the other joint- holders and for this purpose seniority shall be determined by the order in which the names stands in the Register of Members in respect of the joint holding.
- 5. To be valid the completed Form of Proxy should be deposited at the Registered Office of the Company situated at No. 61, Janadhipathi Mawatha, Colombo 1 not later than 2.30 p.m. on 29th May 2012.

Please fill in the following details

Name :

Address :

Jointly with :

Share Folio No. :

Corporate Information

NAME OF THE COMPANY

Selinsing PLC

COMPANY REGISTRATION NUMBER

PQ 46

LEGAL FORM

A Public Quoted Company with Limited Liability Incorporated in Sri Lanka in 1907

DIRECTORS

Mano Selvanathan (Chairman)
Hari Selvanathan
Chrisanta F. Fernando
Israel Paulraj
D. Chandima R. Gunawardena
P. Chandana P. Tissera

BANKERS

Standard Chartered Bank
Commercial Bank of Ceylon PLC
Deutsche Bank
HSBC Bank Malaysia Bhd.

AUDITORS IN SRI LANKA

Messrs. Ernst & Young
Chartered Accountants
201, De Saram Place
Colombo 10, Sri Lanka
Tel: + 94 11 2463500
Fax: + 94 11 2697369

AUDITORS IN MALAYSIA

Messrs. Ernst & Young
AF 0039
Level 23A, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490, Kuala Lumpur, Malaysia
Tel: + 603 7495 8000
+ 603 2095 5332 (General line)

MANAGERS

Agro Harapan Lestari Sdn. Bhd.
Suite 6.08 Level 6, Wisma VOA
Damansara II, 6 Changkat Sementan,
Damansara Heights, 50490
Kuala Lumpur, Malaysia
Tel: + 603 2093 4660
Fax: + 603 2093 5660

SECRETARIES

Carsons Management Services
(Pvt) Ltd
61, Janadhipathi Mawatha
Colombo 1, Sri Lanka
Tel: + 94 11 4739200
Fax: + 94 11 4739300

REGISTERED OFFICE

61, Janadhipathi Mawatha
Colombo 1, Sri Lanka
Tel: + 94 11 4739200
Fax: + 94 11 4739300

PRINCIPAL PLACE OF BUSINESS

Ladang Selinsing
P. O. Box 16, 34007 Taiping
Perak Darul Ridzuan
Malaysia

CORPORATE WEBSITE

www.goodhopeholdings.com

HOLDING COMPANY

Goodhope Asia Holdings Ltd

ULTIMATE PARENT AND CONTROLLING ENTITY

Carson Cumberbatch PLC

This report has been
produced by Emagewise
(Pvt) Limited, a Certified
Carbon Neutral Company



Designed & produced by emagewise
Digital Plates by Imageline (Pvt) Ltd
Printed by Gunaratne Offset Ltd