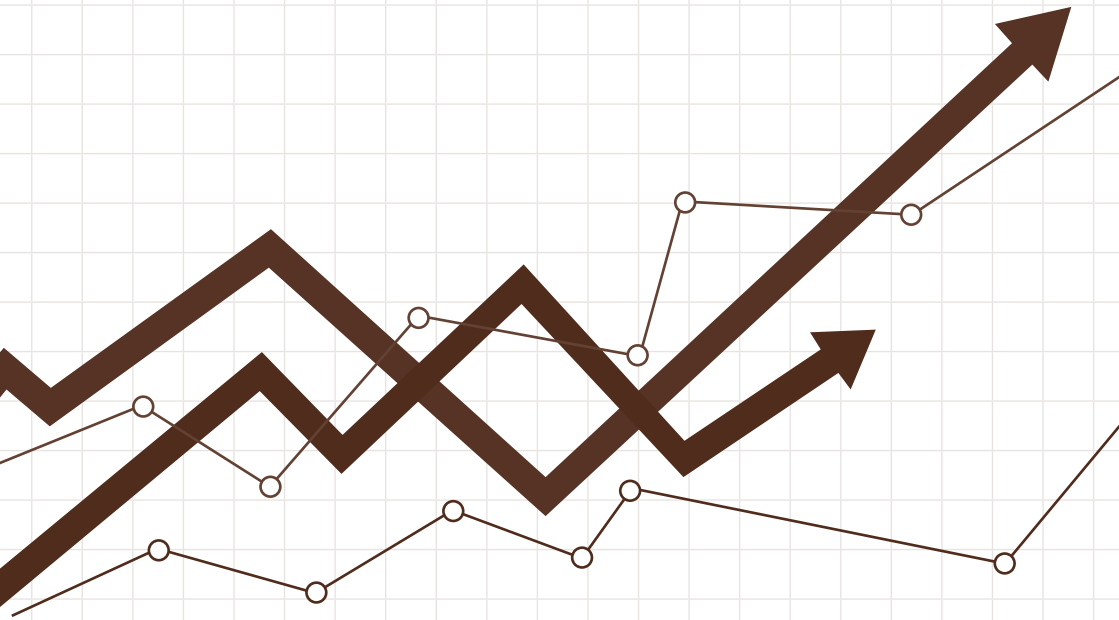


Colombo Investment Trust PLC



2020/2021
ANNUAL REPORT

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Notice of Meeting

NOTICE IS HEREBY GIVEN that the THIRTY FOURTH Annual General Meeting of COLOMBO INVESTMENT TRUST PLC will be held as a virtual meeting from the Registered Office of the Company, 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 1, on Thursday, 19th August 2021 at 10.30 a.m. for the following purposes, namely :

- 1 To receive and consider the Annual Report of the Board of Directors, together with the Statement of Accounts for the year ended 31st March, 2021 and the Report of the Auditors thereon.
- 2 To declare a First & Final Dividend of Rupees One and cents twenty (Rs. 1.20) per share in the form of a Scrip Dividend as recommended by the Directors.

ORDINARY RESOLUTION

"It is hereby resolved that the First & Final Dividend of Rs. 1.20 per share be distributed in the form of a Scrip Dividend amounting to a total sum of Rupees Eight Million Two Hundred and Eleven Thousand Six Hundred and Fifty Two and cents Eighty. (Rs. 8,211,652.80).

The Scrip Dividend will be paid out of dividends received. The shares issued in the Scrip Dividend shall be valued at Rs. 125.00 per share which will result in 01 share being issued for each existing 104.1670193171 shares held by the shareholders at the end of trading on the Colombo Stock Exchange (CSE) on the date of the Annual General Meeting (AGM) or where Delivery Vs Payment (DVP) system is enabled and implemented by the CSE, the shareholders of the Company who hold their shares in their respective CDS accounts/ in the share ledger as at end of trading on the third (3rd) market day from and excluding the date of the General Meeting (i.e. the "Record date") will be entitled to this issuance of shares. Consequently the total number of shares to be issued under the Scrip Dividend shall be 65,693 Ordinary Shares."

"It is further resolved that the shares issued in respect of the Scrip Dividend be listed on the Colombo Stock Exchange"

"It is further resolved that the residual fractions arising upon the Scrip Dividend will be disposed in the market by a Trustee to be nominated by

the Board of Directors and the proceeds to be distributed amongst those shareholders entitled to the fraction of such shares." (see Note No. 3 in the "Circular to Shareholders-Re: Scrip Dividend 2020/2021" attached to this Annual Report).

- 3 To re-elect Mr.S.Shanmugalingam, who retires by rotation in terms of Articles 84 and 85 of the Articles of Association, as a Director.
- 4 To reappoint Mr.A.M.de S. Jayaratne who is over seventy years of age as a Director.

A Special Notice has been received from a shareholder of the intention to pass a Resolution which is set out in the notes in relation to his reappointment. (see Note No.(vii) on page 2).

- 5 To reappoint Dr.J.M.Swaminathan who is over seventy years of age as a Director.

A Special Notice has been received from a shareholder of the intention to pass a Resolution which is set out in the notes in relation to his reappointment. (see Note No.(viii) on page 2).

- 6 To reappoint Mr.A.Rajaratnam who is over seventy years of age as a Director.

A Special Notice has been received from a shareholder of the intention to pass a Resolution which is set out in the notes in relation to his reappointment. (see Note No.(ix) on page 2).

7. To reappoint Mr.S.D.R.Arudpragasam who would have attained the age of seventy years as at the date of the Annual General Meeting as a Director.

A Special Notice has been received from a shareholder of the intention to pass a Resolution which is set out in the notes in relation to his reappointment. (see Note No.(x) on page 2).

8. To reappoint Messrs. KPMG, Chartered Accountants as Auditors and to authorise the Directors to determine their fees.

By Order of the Board,
Corporate Managers & Secretaries (Pvt) Limited
 Secretaries
 Colombo
 22nd July 2021

Notice of Meeting

Notes :-

- (i) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him.
- (ii) A Proxy need not be a Member of the Company. The Form of Proxy is enclosed.
- (iii) The completed Form of Proxy should be deposited at the Registered Office of the Company at No. 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 1, not less than forty eight hours before the time appointed for the holding of the Meeting.
- (iv) Members are encouraged to vote by Proxy through the appointment of a member of the Board of Directors to represent them and vote on their behalf. Members are advised to complete the Form of Proxy and their voting preferences on the specified resolutions to be taken up at the Meeting and submit the same to the Company in accordance with the instructions given on the reverse of the Form of Proxy.
- (v) A Circular to Shareholders regarding the Scrip Dividend is enclosed in this Annual Report.
- (vi) Please refer the "Circular to Shareholders-Re: Annual General Meeting" dated 22nd July 2021. for further instructions relating to the Annual General Meeting and for joining the meeting virtually.
- (vii) A Special Notice has been received by the Company from a shareholder giving notice of the intention to move the following Resolution as an Ordinary Resolution at the Annual General Meeting :
- Resolved -
- "That Mr.A.M.de S. Jayaratne who is eighty one years of age, be and is hereby reappointed a Director of the Company and it is further specially declared that the age limit of seventy years referred to in Section 210 of the Companies Act No. 07 of 2007 shall not apply to the said Director, Mr.A.M.de S. Jayaratne."
- (viii) A Special Notice has been received by the Company from a shareholder giving notice of the intention to move the following Resolution as an Ordinary Resolution at the Annual General Meeting :
- Resolved -
- "That Dr.J.M.Swaminathan who is eighty years of age, be and is hereby reappointed a Director of the Company and it is further specially declared that the age limit of seventy years referred to in Section 210 of the Companies Act No. 07 of 2007 shall not apply to the said Director, Dr.J.M. Swaminathan."
- (ix) A Special Notice has been received by the Company from a shareholder giving notice of the intention to move the following Resolution as an Ordinary Resolution at the Annual General Meeting :
- Resolved -
- "That Mr.A.Rajaratnam who is eighty years of age, be and is hereby reappointed a Director of the Company and it is further specially declared that the age limit of seventy years referred to in Section 210 of the Companies Act No. 07 of 2007 shall not apply to the said Director, Mr.A.Rajaratnam."
- (x) A Special Notice has been received by the Company from a shareholder giving notice of the intention to move the following Resolution as an Ordinary Resolution at the Annual General Meeting :
- Resolved -
- "That Mr.S.D.R.Arudpragasam who would have attained the age of 70 years as at the date of the Annual General Meeting, be and is hereby reappointed a Director of the Company and it is further specially declared that the age limit of seventy years referred to in Section 210 of the Companies Act No. 07 of 2007 shall not apply to the said Director, Mr.S.D.R Arudpragasam."

Chairman's Review

On behalf of the Board of Directors it gives me great pleasure to welcome you to the Thirty Fourth Annual General Meeting of your Company and present you with the Annual Report and the Audited Financial Statements for the year ended 31st March 2021.

The outbreak of COVID-19 adversely impacted the local economy with lockdown measures and other health and safety protocols imposed to combat the pandemic. The pandemic further eroded the economic recovery prospects during 2020 which was already confronted with 2019 Easter attacks. Consequently, the deepest recession since independence was recorded as the GDP growth of the country plunged to a negative 3.6% in 2020 compared to the positive 2.3% recorded in the previous year with the unemployment rate rising above 5% following business closures reflecting subdued consumer and investor sentiments. In addition to the above, high level of government borrowings further worsened the economic landscape of the country.

On the positive side, the regulator and Government took proactive and timely measures to revive the economy through debt moratoriums and concessionary loan schemes for impacted individuals and businesses. An accommodative monetary policy aimed at stimulating the economy through multiple reductions in the Policy Rates and Statutory Reserves Ratio led to sustained reductions in market interest rates.

Driven by the low interest rate environment the benchmark All Share Price Index (ASPI) ended the year at 7,121.28 (31.03.2020 - 4,571.63), increasing by 56% in comparison with the previous year. The import restrictions imposed by the government stabilized the exchange rate for the most part of the year with intermittent volatilities at the beginning of the pandemic and towards the end of the year. Further, the headline inflation moved broadly in the desired range of 4%-6% during the year 2020 while core inflation remained low throughout the year.

Regrettably, the COVID-19 pandemic generated a gamut of challenges which all institutions including your Company had to face. Amidst such unprecedented challenges taking place all around us, the Company achieved a turnover of Rs. 17.12 million, a drop of 10% compared to Rs. 18.97 million achieved during the previous financial year. This is mainly attributable to the drop in proceeds generated through disposal of investments during the period under review. The profit prior to the fair value adjustment on financial assets were Rs. 8.54 Million compared to Rs. 10.80 Million in the previous year.

The Net Asset Value of your Company as at the end of the financial year was Rs. 176.32 per share as against Rs.96.17 per share in the previous year. The fair value of quoted investments as at 31st March, 2021 and 31st March, 2020 were Rs. 1.22 Billion and Rs. 0.68 Billion respectively.

Based on the dividend income and the performance of the Company your Board recommends a First & Final Dividend of Rs. 1.20 per share in the form of a Scrip Dividend for the financial year ended 31st March, 2021.

I wish to thank all Stakeholders for their continued trust and confidence in the Company and my colleagues on the board for their unstinted support, advice and guidance.

A. Rajaratnam

Chairman
23rd June 2021

Board of Directors

A.Rajaratnam - Chairman

FCA

Mr.A.Rajaratnam was appointed to the Board of Colombo Investment Trust PLC in 1991. He was appointed Chairman on 12th August 2011.

S.D.R.Arudpragasam - Deputy Chairman

FCMA (UK)

Mr.S.D.R.Arudpragasam is a Fellow Member of the Chartered Institute of Management Accountants (UK). He was appointed to the Board as Deputy Chairman in August 2011. He holds the position of Deputy Chairman of The Colombo Fort Land & Building PLC, Chairman of Lankem Ceylon PLC and Chairman/Managing Director of E. B. Creasy & Company PLC, in addition to serving on the Boards of other Companies within the CFLB Group.

S.Shanmugalingam - Director

Mr.S.Shanmugalingam was appointed to the Board in 2004. He has over 20 years experience in Share Trading and in the Capital Market and has worked for many years as a Senior Stock Broker. He currently functions as an Adviser. He holds a Higher Diploma in Information Technology.

A.M.de S.Jayaratne - Director

B.Sc. (Econ.), FCA

Mr.A.M.de S.Jayaratne was appointed to the Board in 2005. He graduated in Economics and is a Chartered Accountant by profession. He was the former Chairman of Forbes & Walker Ltd., Colombo Stock Exchange, Ceylon Chamber of Commerce and The Finance Commission. He also served as Sri Lanka's High Commissioner in Singapore. He is a Director of several public listed Companies.

S.Rajaratnam - Director

B.Sc., CA

Mr.S.Rajaratnam was appointed to the Board in 2008. He holds a Bachelor of Science Degree in Business Administration from Boston College, U.S.A. and is a member of the Institute of Chartered Accountants in Australia. He currently holds the position of Joint Managing Director of E.B.Creasy & Company PLC amongst other Directorships.

J.M.Swaminathan - Director

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

Dr.J. M. Swaminathan is an Attorney-at-Law with over 55 years in practice. He was the former Senior Partner of Messrs. Julius & Creasy. He is a Member of the office for Reparations Sri Lanka. He has served as a Member of the Law Commission of Sri Lanka and Member of the Council of Legal Education and the Council of the University of Colombo. He is also a Member of the Company Law Advisory Commission and the Intellectual Property Law Advisory Commission. He is the Chairman of the Studies of the Council of Legal Education and also a Consultant at the Institute of Advanced Legal Studies of the Council of Legal Education. He is a member of the Visiting Faculty of the LL.M Course of the University of Colombo. He also serves on the Boards of several public and private Companies.

Anushman Rajaratnam - Alternate Director to Mr.A.Rajaratnam

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

Mr.Anushman Rajaratnam was appointed as an Alternate Director to Mr.A.Rajaratnam on 18th August 2011. In addition he is the Group Managing Director of The Colombo Fort Land & Building PLC whilst serving on the Boards of several subsidiaries of the CFLB Group.

Corporate Governance

Colombo Investment Trust PLC is committed to a policy of maintaining the highest standard of accountability in all its business and other activities.

The Company firmly believes that good corporate governance adopted and implemented will strengthen the confidence and trust of all stakeholders.

Board

Composition

The Board of Colombo Investment Trust PLC comprises of Six Non-Executive Directors of whom two are Independent.

These Directors are named below and profiled on page 4.

Mr.A.Rajaratnam	- Chairman Non-Executive
(Alternate, Mr.Anushman Rajaratnam	- Non-Executive)
Mr. S.D.R.Arudpragasam	- Deputy Chairman Non-Executive
Mr.S.Shanmugalingam	- Non-Executive
Mr.A.M.de S.Jayaratne	- Independent Non-Executive
Mr.S.Rajaratnam	- Non-Executive
Dr.J.M.Swaminathan	- Independent Non-Executive

The Non-Executive Directors have submitted declarations of their Independence or Non-Independence to the Board of Directors.

Mr.A.M.de S.Jayaratne and Dr.J.M.Swaminathan are on the Boards of other listed Companies, in which, a majority of the Directors of the Company are Directors and also serve on the Board of other listed entities which have significant shareholdings in the Company. Mr.A.M.de S.Jayaratne & Dr. J.M.Swaminthan have served for over a period of nine years on the Board of the Company. However, the Directors, having taken into consideration all other circumstances listed in the Colombo Stock

Exchange Listing Rules pertaining to the "Criteria for Defining Independence" is, of the opinion that Mr.A.M.de S.Jayaratne and Dr.J.M.Swaminathan to be nevertheless Independent.

Decision Making of the Board

The Board has met on two occasions during the year under review due to the Covid Pandemic. In addition to Board Meetings matters are referred to the Board and decided by Resolutions in writing.

Appointment and Re-election of Directors

The Board as a whole decides on the appointment of Directors in accordance with the Articles of Association of the Company and in compliance with the Rules on Governance.

In terms of the Articles of Association a Director appointed by the Board holds office until the next Annual General Meeting, at which he seeks re-election by the shareholders. The Articles require one of the Directors in office to retire at each Annual General Meeting. The Director to retire is he who has been longest in office since his last election. A retiring Director is eligible for re-election.

Financial Acumen

The Directors are from varied business and professional backgrounds and have vast experience and proven ability in the field of investment, management and trading in securities. Their expertise enables them to exercise independent judgement and their views carry substantial weight in decision making. The Board includes four finance professionals who possess the necessary knowledge to offer guidance on matters of finance. If necessary, professional advice is obtained from external independent parties.

The Board is responsible for the proper management of the Company along with monitoring an effective system of internal controls covering financial matters.

Corporate Governance

Remuneration Committee

The Company has no employees and consequently the appointment of a Remuneration Committee does not arise.

Audit Committee

The Audit Committee comprises of Mr.A.M.de S.Jayarathne - Chairman (Independent/Non - Executive Director), Dr. J. M. Swaminathan (Independent/ Non - Executive Director) and Mr. S. Rajaratnam (Non - Executive Director).

Related Party Transactions Review Committee

The Committee comprises of Mr.A.M.de S.Jayarathne - Chairman (Independent/Non - Executive Director), Dr. J. M. Swaminathan (Independent/ Non - Executive Director) and Mr. S. Rajaratnam (Non - Executive Director).

Managers & Secretaries

The Directors seek advice from Corporate Managers & Secretaries (Private) Limited (CMSL) who are qualified to act as Managers & Secretaries as per the provisions of the Companies Act No. 7 of 2007.The Company does not employ any staff. All accounting services are provided by CMSL. Proper internal control procedures are adopted within CMSL.

Annual General Meeting/General Meetings

The Board considers the Annual General Meeting/General Meetings an opportunity to communicate with shareholders and encourages their participation.

Compliance with Legal Requirements

The Board strives to ensure that the Company complies with the Laws and Regulations of the country.

Corporate Social Responsibility

Corporate decisions are made with due consideration taking into account the rights and claims of all non- shareholder groups.

Corporate Governance

ADHERENCE TO THE CORPORATE GOVERNANCE RULES OF THE COLOMBO STOCK EXCHANGE

Rule	Adherence
7.10.1 Non-Executive Directors	
(a) The Board of Directors of a listed Company shall include at least - * two Non - Executive Directors or * such number of Non - Executive Directors equivalent to one third of the total number of Directors whichever is higher.	Complied (The Board of Directors consist of six Directors and all are Non - Executive Directors)
(b) The total number of Directors is to be calculated based on the number as at the conclusion of the immediately preceding Annual General Meeting.	Not Applicable (The Board consist of only Non- Executive Directors)
(c) Any change occurring to this ratio shall be rectified within 90 days from the date of the change.	Not Applicable
7.10.2 Independent Directors	
(a) Where the constitution of the Board of Directors includes only two Non-Executive Directors in terms of Rule 7.10.1 (a) above, both such Non-Executive Directors shall be 'Independent'. In all other instances two or 1/3 of Non-Executive Directors appointed to the Board of Directors, whichever is higher shall be 'Independent'.	Complied (Two Non-Executive Directors are Independent)
(b) The Board shall require each Non-Executive Director to submit a signed and dated declaration annually of his/her independence or non-independence against the specified criteria.	Complied
7.10.3 Disclosures Relating to Directors	
(a) The Board shall make a determination annually as to the independence or non-independence of each Non-Executive Director based on such declaration and other information available to the Board and shall set out in the Annual Report, the names of Directors determined to be 'Independent'.	Complied
(b) In the event a Director does not qualify as 'Independent' against any of the criteria set out in the listing rules but if the Board taking into account all the circumstances is of the opinion that the Director is nevertheless 'Independent', the Board shall specify the criteria not met and the basis for its determination in the Annual Report.	Complied
(c) In addition to disclosures relating to the independence of a Director set out above, the Board shall publish in its Annual Report a brief resume of each Director on its Board which includes information on the nature of his/her expertise in relevant functional areas.	Complied
(d) Upon appointment of a new Director to the Board, the Company shall forthwith provide to the Exchange a brief resume of such Director for dissemination to the public. Such resume shall include information on the matters itemized in Rule 7.10.3 (a), (b) and (c) mentioned above.	Not Applicable (No appointments made during the year)

Corporate Governance

Rule	Adherence
7.10.5 Remuneration Committee	
<p>A listed Company shall have a Remuneration Committee in conformity with the following :</p> <p>(a) Composition (b) Functions (c) Disclosure in the Annual Report</p>	<p>Not Applicable (Refer the Corporate Governance Disclosure in the Annual Report)</p>
7.10.6 Audit Committee	
<p>A listed Company shall have an Audit Committee in conformity with the following :</p>	<p>Complied (Refer Audit Committee Report in the Annual Report)</p>
<p>(a) Composition The Audit Committee shall comprise of a minimum of two Independent Non-Executive Directors (in instances where a Company has only two Directors on its Board); or Non-Executive Directors a majority of whom shall be independent, whichever shall be higher.</p>	<p>Complied (Audit Committee comprises of three Non-Executive Directors of whom two are Independent)</p>
<p>* In a situation where both the Parent Company and the Subsidiary are 'Listed Companies', the Audit Committee of the Parent Company may function as the Audit Committee of the Subsidiary.</p>	<p>Not Applicable</p>
<p>* However, if the Parent Company is not a listed Company, then the Audit Committee of the Parent Company is not permitted to act as the Audit Committee of the Subsidiary. The Subsidiary should have a separate Audit Committee.</p>	<p>Not Applicable</p>
<p>* One Non-Executive Director shall be appointed as Chairman of the Committee by the Board of Directors.</p>	<p>Complied</p>
<p>* Unless otherwise determined by the Audit Committee the Chief Executive Officer and the Chief Financial Officer of the Listed Company shall attend Audit Committee meetings.</p>	<p>Representatives of the Managers & Secretaries were in attendance on invitation.</p>
<p>* The Chairman or one Member of the Committee should be a member of a recognised professional accounting body.</p>	<p>Complied</p>

Corporate Governance

Rule	Adherence
7.10.6 Audit Committee	
(b) Functions shall include -	
* Overseeing of the preparation, presentation and adequacy of disclosures in the Financial Statements of a Listed Company, in accordance with Sri Lanka Accounting Standards.	Complied
* Overseeing of the Company's compliance with financial reporting requirements, information requirements of the Companies Act and other relevant financial reporting related regulations and requirements.	Complied
* Overseeing the processes to ensure that the Company's internal controls and risk management, are adequate, to meet the requirements of the Sri Lanka Auditing Standards.	Complied
* Assessment of the independence and performance of the Company's external auditors.	Complied
* To make recommendations to the Board pertaining to appointment, re-appointment and removal of external auditors and to approve the remuneration and terms of engagement of the external auditors.	Complied
(c) Disclosure in the Annual Report	
The names of the Directors (or persons in the Parent Company's Committee in the case of a Group Company) comprising the Audit Committee should be disclosed in the Annual Report.	Complied (Disclosure made in the Audit Committee Report)
* The Committee shall make a determination of the independence of the auditors and shall disclose the basis for such determination in the Annual Report.	Complied
* The Annual Report shall contain a report by the Audit Committee, setting out the manner of compliance by the Company in relation to the above, during the period to which the Annual Report relates.	Complied
9.1 Shareholder Approval	
A Listed Entity shall obtain prior approval from the shareholders by way of a Special Resolution for the following Related Party Transactions :	
9.1.1 Non-recurrent Transactions	
(a) Any Related Party Transaction of a value equal to, or more than:	
(i) 1/3 of the Total Assets of the entity as per the latest Audited Financial Statements of the entity; or	Not Applicable
(ii) 1/3 of the Total Assets of the entity as per the latest Audited Financial Statements of the entity; when aggregated with other non-recurrent transactions entered into with the same Related Party during the same financial year.	Not Applicable

Corporate Governance

Rule	Adherence
9.1.2 Recurrent Transaction	
(a) Any recurrent Related Party Transaction of a value equal to, or more than:	
(i) 1/3 of the gross revenue (or equivalent term for revenue in the Income Statement) and in the case of group entity consolidated group revenue of the Entity as per the latest Audited Financial Statements of the entity; or	Not Applicable
(ii) 1/3 of the gross revenue (or equivalent term for revenue in the Income Statement) and in the case of group entity consolidated group revenue of the entity as per the latest Audited Financial Statements of the entity, when aggregated with other recurrent transactions entered into with the same Related Party during the same financial year. and	Not Applicable
(iii) The transactions are not in the ordinary course of business and in the opinion of the Related Party Transactions Review Committee, are on terms favourable to the Related Party than those generally available to the public.	Not Applicable
9.2 Related Party Transactions Review Committee	
A listed Entity shall have a Related Party Transactions Review Committee (RPTRC) in conformity with the following:	
9.2.1 Review of Transactions	
Except for transactions set out in Rule 9.5, all other Related Party Transactions should be reviewed by the Related Party Transactions Review Committee.	Complied (Refer Related Party Transactions Review Committee Report in the Annual Report)
9.2.2 Composition	
The Committee shall comprise a combination of Non-Executive Directors and Independent Non-Executive Directors and may also include Executive Directors at the option of the Listed Entity.	Complied (RPTRC comprises of Three Non-Executive Directors of whom two are Independent)
One Independent Non-Executive Director shall be appointed as Chairman of the Committee.	Complied

Corporate Governance

Rule	Adherence
9.2.3 Related Party Transactions Review Committee of the Parent Company	
In a situation where both the Parent Company and the Subsidiary are Listed Entities, the RPTRC of the Parent Company may be permitted to function as the RPTRC of the Subsidiary.	Not Applicable
However, if the Parent Company is not a Listed Entity, then the RPTRC of the Parent Company is not permitted to act as the RPTRC of the Subsidiary, the Subsidiary shall have a separate RPTRC.	Not Applicable
9.2.4 Committee Meetings	
The Committee shall meet at least once a calendar quarter.	The Committee has met on 2 occasions
The Committee shall ensure that the minutes of all meetings are properly documented and communicated to the Board of Directors.	Complied
9.2.5 Professional and Expert Advice	
Directors of the Committee should ensure that they have, or have access to, enough knowledge or expertise to assess all aspects of proposed Related Party Transactions, and where necessary, they should obtain appropriate professional and expert advice from an appropriately qualified person.	Complied
9.3 Disclosures	
9.3.1 Immediate Disclosure	
<p>(a)(i) The Listed Entity shall make an immediate announcement to the exchange;</p> <ul style="list-style-type: none"> - of any non-recurrent Related Party Transaction with a value exceeding 10% of the equity or 5% of the total assets whichever is lower, of the Entity as per the latest Audited Financial Statements, or - of the latest transaction if the aggregate value of all non-recurrent Related Party Transactions entered into with the same Related Party during the same financial year amounts to 10% of the equity or 5% of the total assets which ever is lower of the Entity as per latest Audited Financial Statements. 	Not Applicable (All non-recurrent transactions were below the disclosure threshold)
(ii) Listed Entity shall disclose subsequent non-recurrent transactions which exceeds 5% of the equity of the Entity, entered into with the same Related Party during the financial year.	Not Applicable

Corporate Governance

Rule	Adherence
9.3.2 Disclosure in the Annual Report	
(a) Disclosure of Non-recurrent Related Party Transactions	
If aggregate value of the non-recurrent Related Party Transactions exceeds 10% of the Equity or 5% of the Total Assets, whichever is lower, of the Listed Entity as per the latest Audited Financial Statements, the information must be presented in the Annual Report in accordance with the prescribed format under 9.3.2 (a).	Not Applicable (All non-recurrent transactions were below the disclosure threshold)
(b) Disclosure of Recurrent Related Party Transactions	
If the Aggregate value of the recurrent Related Party Transactions exceeds 10% of the gross revenue/income (or equivalent term in the Income Statement and in the case of group entity consolidated revenue) as per the latest Audited Financial Statements, the Listed Entity must disclose the aggregate value of Recurrent Related Party Transactions entered into during the financial year in the Annual Report in accordance with the prescribed format under 9.3.2(b).	Not Applicable (All recurrent transactions were below the disclosure threshold)
(c) Report by the Related Party Transactions Review Committee.	Complied (Refer Related Party Transactions Review Committee Report)
(d) A declaration by the Board of Directors.	Complied (Refer RPTRC Report and Annual Report of the Board of Directors)
9.4 Acquisition and Disposal of Assets from/to Related Parties	
9.4.1 The Listed Entity nor any of its subsidiaries without obtaining prior approval from the shareholders by way of a Special Resolution, should not acquire or dispose of from/to any Related Party an asset/s amounting to a value which exceeds 1/3 of the total assets of the Entity (a substantial asset) as per latest Audited Financial Statements.	Not Applicable
9.4.4 The members of the Related Party Transactions Review Committee should obtain competent independent advice from independent professional experts with regard to the value of the substantial assets of the Related Party Transaction under consideration.	Not Applicable
9.4.5 The competent independent advice obtained in terms of Rule 9.4.4 above should be circulated with the notice of meeting to obtain the shareholder approval as set out in Rule 9.4.1 above.	Not Applicable

Risk Management Report

Colombo Investment Trust PLC is exposed to a variety of risks in the course of its operations. Being an investment Company, our success depends on achieving an acceptable balance between the risks we take and the returns we earn. The Company's risk management framework has been developed to identify and manage risks in a systematic and professional manner. The Board of Directors of the Company is responsible for the management of risks.

The key risks faced by the Company are categorized into four; being market risk, portfolio risk, regulatory risk and operational risk.

Market Risk

Market risk is caused by changes in the macroeconomic environment which has an impact on the financial markets as a whole. Changes in borrowing costs, foreign exchange rates, inflation, and government policies are some of the causes of this form of risk. Market risk cannot be eliminated. It is an ever present factor in the management of equity Portfolios.

At Colombo Investment Trust PLC, market risks and the potential implications of those risks are factored into all asset allocation and investment decisions.

Portfolio Risk

Portfolio risk arises from the unique risks associated with each security that the Company invests. In our equity portfolio the value of shares we invest will fluctuate with the fortunes of the Company issuing those shares. We adopt a disciplined process of evaluating investments in order to ensure that our portfolio risk is within acceptable limits given our strategy of growth in value of our investments in a sustainable manner over the long term. As part of the process of monitoring the performance of our investments, the Board periodically reviews the Company's investments in related Companies as well.

Regulatory Risk

Regulatory risk refers to the risk taken if the Company does not comply with all legal and regulatory provisions applicable to it. Internal systems and processes are structured to ensure that the Company complies with all legal and regulatory provisions.

All investments are made and trades executed in compliance with the Companies Act, CSE/SEC regulation, tax regulations and other applicable regulatory provisions.

Operational Risk

Operational risk is the risk of loss resulting from failed or inadequate internal processes, people and systems or from external events. Operational risk management is an integral part of the overall responsibility resting with the Board and they strive to maintain an appropriate internal control environment to commensurate with the nature of the operations within the framework of the Company's policies and procedures. The Board, in consultation with the Audit Committee, assesses the effectiveness of internal control systems and monitors the compliance with them on a regular basis. The observations of the above review process are used by the Board to improve those controls further and to update them in response to changing conditions associated with the business.

The Company also maintains its policies with regard to access, control, and protection of data and ability to cope with unexpected contingencies. Necessary safeguards are constantly introduced and upgraded to ensure the integrity of the information and the continuity of business operations. Preventive and proactive measures such as firewalls, virus guards and regular backup systems are amongst other steps kept in place.

The Company does not employ any staff as all services are provided by Corporate Managers & Secretaries (Pvt) Ltd. Thereby, the Company does not face material issues pertaining to employees and industrial relations.

Management Discussion and Analysis

Colombo Investment Trust portfolio performance

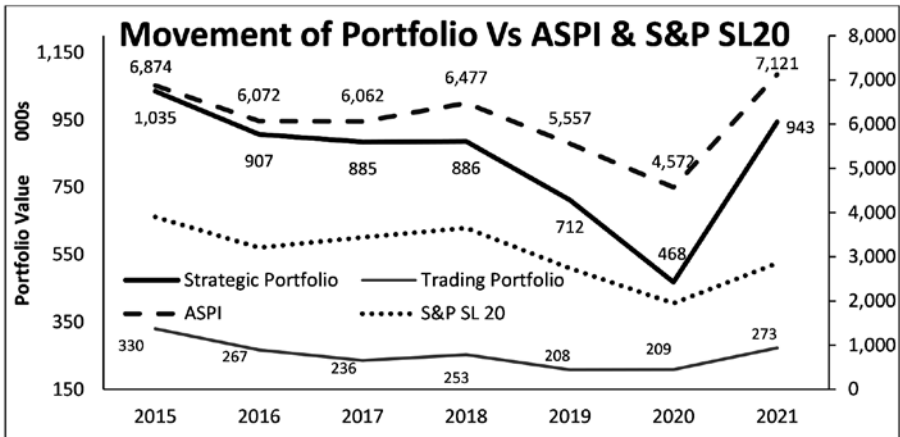
The Sri Lankan economy was highly volatile during the period under review; following the first wave of Covid-19, it signaled a strong recovery until the latter part of September 2020, but the second wave of Covid-19 affected the momentum. The Economy started to recover again from beginning of January 2021 and the economic confidence by end March 2021 was positive. Beginning of April 2021 the Country went into the third wave of the pandemic which increased the worries over the recovery.

During the period under review The Company's Strategic Portfolio mainly comprising Blue-Chips and related Companies had outperformed the All Share Price Index, which gained 56%, boosted by the gains on manufacturing sector counters. Company's quoted-Non Related portfolio witnessed slight impact due to foreign outflows in the Stock Market on Blue-Chips; improved by 45% to Rs.193Mn while quoted-related investments improved by 124%

to Rs.749Mn mainly on the gains on E.B. Creasy & Company PLC and The Colombo Fort Land & Building PLC. Accordingly, the strategic Portfolio increased to Rs.943Mn with a gain of 101% during the period under review.

The Company's Trading Portfolio is well-diversified across sectors but having considerable exposure in Banks and Diversified Financials sector counters. During the period under review, steep decline in interest rates and the import restrictions on vehicles had affected the profitability of Non-Bank Financial Institutions sector. Investments in leisure sector and large conglomerates also remained as underperformers. Quoted-Non-Related investments improved by 57% to Rs.82Mn while quoted-related investments improved by 22% to Rs.191 Mn. Accordingly, the trading Portfolio increased to Rs.273Mn with a gain of 31% during the period under review.

Dividend returns during the period improved by 16% to Rs.15.2Mn from Rs.13Mn in the previous period.



The financial year 2020/21 remained challenging similar to the previous financial year which was affected due to Easter Sunday tragedy and the outbreak of Covid-19. Impact of Covid-19 was felt across all sectors of the economy. In LKR terms Sri Lanka's economy shrunk by 3.6% in 2020 compared to the growth of 2.3% in 2019. Equity Market recorded strong recovery with a bull run till end January 2021; All Share Price Index reached an all-time high level and stabilized later.

Future Outlook

On a long-term perspective the proposed Colombo Port City and the Special Economic Zone are expected to change the business dynamics of the country in a large scale. Based on the current economic trends, industry performance and external factors, the Company is closely monitoring its portfolios and exploring all the possibilities to re-align the investments on an appropriate manner to grab the future opportunities.

Annual Report of the Board of Directors

The Board of Directors of Colombo Investment Trust PLC present their Report on the Affairs of the Company together with the Audited Financial Statements for the year ended 31st March 2021.

Principal Activities / Business Review

The principal activity of the Company is holding and managing an investment portfolio. The Chairman's Review, the Management Discussion Analysis together with the Financial Statements reflect the state of affairs of the Company.

The Directors to the best of their knowledge and belief confirm that the Company has not engaged in any activities that contravene laws and regulations.

Financial Statements

The Financial Statements of the Company are given on pages 23 to 52.

Independent Auditors' Report

The Auditors' Report on the Financial Statements is given on pages 20 to 22.

Accounting Policies

The Accounting Policies adopted in the preparation of the Financial Statements are given on pages 27 to 33.

Interest Register

Directors' Interest in Transactions

The Directors have made general disclosures as provided for in Section 192 (2) of the Companies Act No. 07 of 2007. Arising from this, details of contracts in which they have an interest are disclosed in Note 19 to the Financial Statements which are given on pages 45 and 46.

Directors' Interest in Shares

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

Details pertaining to Directors' direct shareholdings are set out below.

Name of Director	No. of Shares As at 31.03.2021	No. of Shares As at 31.03.2020
	Mr.A.Rajaratnam (Alternate, Mr.Anushman Rajarantam)	1 NIL
Mr.S.D.R.Arudpragasam	134	475
Mr.S.Shanmugalingam	** 449	**449
Mr.A.M.de S. Jayaratne	NIL	NIL
Mr.S.Rajaratnam	NIL	NIL
Dr.J.M.Swaminathan	165	165

** Aggregate of 240 Fractional shares held in Trust consequent to the Scrip Dividend in 2019.

Directors' Fees

Directors' fees in respect of the Company for the financial year 2020/2021 is given in Note 7 to the Financial Statements.

Corporate Donations

No donations were made during the year.

Directorate

The names of the Directors who held office during the financial year are given below and are profiled on page 4.

Mr.A.Rajaratnam	- Chairman Non-Executive (Alternate, Mr.Anushman Rajarantam Non-Executive)
Mr.S.D.R.Arudpragasam	- Deputy Chairman Non-Executive
Mr.S.Shanmugalingam	- Director Non-Executive
Mr.A.M.de S.Jayaratne	- Director Independent Non-Executive
Mr.S.Rajaratnam	- Director Non-Executive
Dr.J.M.Swaminathan	- Director Independent Non-Executive

The Board of Directors met on two occasions during the year under review and the attendance at meetings had been as follows:

Annual Report of the Board of Directors

Mr.A.Rajaratnam	Excused
Mr.S.D.R.Arudpragasam	2/2
Mr.S.Shanmugalingam	2/2
Mr.A.M.de S.Jayaratne	2/2
Mr.S.Rajaratnam	1/2
Dr.J.M.Swaminathan	2/2

In terms of Articles 84 & 85 of the Articles of Association Mr.S.Shanmugalingam, retires by rotation and being eligible offers himself for re-election.

Mr.A.M.de S.Jayaratne, who is over 70 years of age retires and offers himself for reappointment under and by virtue of the Special Notice received from a shareholder of the Company which is referred to in the Notice of Meeting.

Dr. J.M. Swaminathan, who is over 70 years of age retires and offers himself for reappointment under and by virtue of the Special Notice received from a shareholder of the Company which is referred to in the Notice of Meeting.

Mr. A. Rajaratnam, who is over 70 years of age retires and offers himself for reappointment under and by virtue of the Special Notice received from a shareholder of the Company which is referred to in the Notice of Meeting.

Mr. S.D.R. Arudpragasam who would have attained the age of 70 years at the date of the Annual General Meeting offers himself for reappointment under and by virtue of the Special Notice received from a shareholder of the Company which is referred to in the Notice of Meeting.

Corporate Governance

The Corporate Governance Principles adhered to by the Company are given on pages 5 to 12.

Auditors

The Financial Statements for the year have been audited by Messrs. KPMG. The amount payable to Messrs. KPMG as audit fees was Rs. 320,700/- (2019/20 Rs.297,000/-) and Rs.101,600/- (2019/20 Rs.101,600/-) for non-audit related work which consisted mainly of fees for tax compliance services.

As far as the Directors are aware the Auditors do not have any relationship (other than that of an Auditor) with the Company and do not have any interest in the Company.

Revenue

The revenue of the Company for the year was Rs. 17.12 Million. (2019/20- Rs. 18.97 Million.)

Results

The Company made a Net Profit before tax of Rs. 74.37 Million against a Profit of Rs.11.19 Million in the previous year. The detailed results are given in the Statement of Profit or Loss and Other Comprehensive Income on page 23.

Taxation

In terms of the Inland Revenue Act No. 24 of 2017 and the subsequent Notices issued, the Company is liable to pay income tax at the rate of 24% during the Year of Assessment 2020/2021. The tax losses available for carry forward as at 31st March 2021 was Rs. 14.85 Million. The detailed income tax computation is given in Note 8 to the Financial Statements on page 35.

Dividends

The Board of Directors have resolved to pay a First and Final dividend of Rs. 1.20 per share by way of a Scrip Dividend for the year ended 31st March, 2021 to the registered shareholders of the Company as at the end of trading on the date on which requisite resolution is passed by the shareholders, of the Company, or where Delivery Vs Payment (DVP) system is enabled and implemented by the CSE, the shareholders of the Company who hold their shares in their respective CDS accounts/in the share ledger as at end of trading on the third (3rd) market day from and excluding the date of the General Meeting (i.e. the "Record date") will be entitled to this issuance of shares, in the proportion of 1 new ordinary share for every 104.1670193171 existing ordinary shares. The said resolution will be proposed at the Annual General Meeting to be held on 19th August 2021.

The Directors have confirmed that the Company satisfies the Solvency Test requirement under Section 56 the Companies Act No. 07 of 2007 for the dividend proposed.

A Solvency certificate has been sought from the Auditors in respect of the aforementioned dividend.

Annual Report of the Board of Directors

Investments

The fair value of the Quoted Securities held as at 31st March 2021 was Rs. 1.22 Billion. (2019/2020 - Rs.0.68 Billion) The detailed investment portfolio is given in Note 10 to the Financial Statements on Pages 37 to 42.

Property, Plant and Equipment

The Company does not own any property, plant and equipment.

Stated Capital and Reserves

The Stated Capital of the Company as at 31st March 2021 was Rs.187.43 Million represented by 6,843,044 ordinary shares.

Reserves

The total reserves of the Company as at 31st March 2021 amounted to Rs. 1.02 Billion comprising Retained Earnings of Rs. 284.76 Million (2019/20 - Rs. 210.61 Million.) and FVOCI Reserve of Rs. 734.38 Million (2019/2020 Rs.260.07 Million.) The movements are shown in the Statement of Changes in Equity in the Financial Statements.

Capital Commitments and Contingent Liabilities

Capital Commitments and Contingent Liabilities as at the reporting date are disclosed in Notes 17 and 18 to the Financial Statements on page 45.

Related Party Transactions

During the financial year there were no recurrent related party transactions and non-recurrent related party transactions which exceeded the disclosure threshold. The Directors declare that the Company has complied with the requirements of Section 9 of Colombo Stock Exchange Listing Rules on Related Party transactions, except for the number of meetings held, the Company has complied with the requirements of the listing rules relating to Related Party Transactions.

The Related Party Transactions presented in the Financial Statements are disclosed in Note 19 on pages 45 to 46.

Events after the Reporting Period

No circumstances have arisen since the reporting date that would require adjustments to or disclosures in the Financial Statements, other than those disclosed in Note 21 to the Financial Statements on page 47.

Share Information

Information relating to earnings, dividend, net assets, market value per share and share trading is given on pages 54 and 55.

Employment Policy

The Company does not employ any staff. All operational services are provided by Corporate Managers & Secretaries (Pvt) Limited to whom a fee is paid.

Shareholders

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

Statutory Payments

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

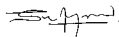
Internal Control

The Directors acknowledge their responsibility for the Company's system of internal controls. The system is designed to give assurance regarding the safeguarding of assets, the maintenance of proper accounting records and the reliability of financial information generated.

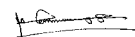
Going Concern

The Directors, after making necessary inquiries and reviews of the Company's future prospects and risks, cash flows and borrowing facilities, have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Therefore, the going concern basis has been adopted in the preparation of the Financial Statements.

For and on behalf of the Board

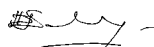


S.D.R.Arudpragasam
Director



S.Shanmugalingam
Director

By Order of the Board



Corporate Managers & Secretaries (Private) Limited
Secretaries

Colombo
23rd June 2021

Audit Committee Report

The Audit Committee Report focuses on the activities of the Company for the year under review, which the Committee has reviewed and monitored as to provide additional assurance on the reliability of the Financial Statements through a process of independent and objective views.

Composition

The Audit Committee of Colombo Investment Trust PLC comprises of three Non-Executive Directors, of whom two are Independent. The Committee is chaired by Mr.A.M.de S.Jayarathne who is a Chartered Accountant and who holds directorships in several Public Quoted Companies.

Mr.A.M.de S.Jayarathne - Chairman	- Independent
	- Non-Executive Director
Dr.J.M.Swaminathan	- Independent
	- Non-Executive Director
Mr.S.Rajaratnam	- Non-Executive Director

The Company's Secretaries Corporate Managers & Secretaries (Pvt) Ltd function as the Secretaries to the Audit Committee.

The members have varied experience, financial knowledge and business acumen to carry out their role effectively and efficiently.

Meetings of the Committee

The Audit Committee met on two occasions during the year under review and the attendance was as follows:

Mr.A.M.de S.Jayarathne	2/2
Dr.J.M.Swaminathan	2/2
Mr.S.Rajaratnam	1/2

The Directors of the Company and Managers from Corporate Managers & Secretaries (Pvt) Limited attended these meetings on the invitation of the Audit Committee. The activities and views of the Committee have been communicated to the Board of Directors by tabling the minutes of the Committee Meetings at Board Meetings.

Financial Reporting

The Committee as part of its responsibility to oversee the Company's financial reporting process has reviewed and discussed with the Management the quarterly and annual Financial Statements prior to their release including the extent of compliance with the Sri Lanka Accounting Standards, the Companies Act No. 07 of 2007 and the adequacy of disclosures required by other applicable laws, rules and guidelines.

The Committee has discussed the operations of the Company and it's future prospects with Management and is satisfied that all relevant matters have been taken into consideration in the preparation of the Financial Statements and that the financial position of the Company is secure.

Risks and Controls

The Committee reviewed the significant business risks and internal control issues and have suggested, where necessary, appropriate remedial measures.

External Audit

The Committee undertook the annual evaluation of the independence and objectivity of the External Auditor and the effectiveness of the audit process. The committee is satisfied that the independence of the External Auditors has not been impaired by any event or service that gives rise to conflict of interest. Due consideration has been given to the level of audit and non-audit related fees received by the External Auditors' from the Company.

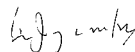
The Committee has recommended to the Board of Directors the re-appointment of the External Auditors, Messrs. KPMG, Chartered Accountants subject to the approval by the shareholders at the forthcoming Annual General Meeting.

Regulatory Compliance

The Committee reviewed the procedures established by the Management of the Company for compliance with the requirements of regulatory bodies.

Conclusion

Based on the assurances and certifications provided by the Board of Directors, and the discussions with Management and the Auditors both at formal meetings and informally, the Committee is of the view that the control environment within the Company is satisfactory and provides reasonable assurance that the financial position of the Company is adequately monitored and safeguarded.



A.M.de S.Jayarathne
Chairman
Audit Committee
Colombo
23rd June 2021

Related Party Transactions Review Committee Report

The Related Party Transactions Review Committee Report focuses on the Related Party Transactions of the Company during the financial year, which the Committee has reviewed as to provide compliance with the regulations governing listed entities, through a process of independent views.

Composition

The Related Party Transactions Review Committee of Colombo Investment Trust PLC comprised of the following members,

Mr.A.M.de S. Jayaratne	- Chairman
	- Independent
	- Non-Executive Director
Dr.J.M.Swaminathan	- Independent
	- Non-Executive Director
Mr.S.Rajaratnam	- Non-Executive Director

The Company's Secretaries Corporate Managers & Secretaries (Pvt) Ltd function as the Secretaries to the Related Party Transactions Review Committee.

Meetings of the Committee

The Related Party Transactions Review Committee met on two occasions during the Financial Year under review and the attendance was as follows:

Mr.A.M.de S.Jayaratne	2/2
Dr.J.M.Swaminathan	2/2
Mr.S.Rajaratnam	1/2

Further apart from the routine recurrent Related Party Transactions, there were no non recurrent Related Party Transactions of the Company in the two calendar quarters in which the Committee did not meet.

The representatives of the Managers, Corporate Managers & Secretaries (Pvt) Limited attended these meetings on the invitation of the Committee. The activities and views of the Committee have been communicated to the Board of Directors by tabling the minutes of the Committee Meetings at Meetings of the Board.

Policies and Procedures

The Committee as part of its responsibility to review the Related Party/Entities Transactions, has identified the persons considered as "Related Parties".

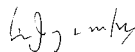
Declarations are obtained from each Director of the Company to identify such "Related Parties". Managers are requested to inform and obtain the approval prior to transactions being entered into with such "Related Parties".

The Committee ensures that they have access to the terms and conditions of the proposed transactions and reviews all aspects and where necessary would obtain professional and expert advice from an appropriately qualified person and request the Board of Directors to approve the proposed transaction, where necessary. The Committee would further ensure that adequate and appropriate disclosures are made to the stakeholders.

Conclusion

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

The Board of Directors has also declared in the Annual Report that there were no recurrent and non-recurrent Related Party Transactions which exceeded the respective thresholds mentioned in Section 9 of Colombo Stock Exchange Listing Rules. The Company has thus complied with the requirements of Section 9 of the Colombo Stock Exchange Listing Rules on Related Party Transactions, except for the number of meetings held, the Company has complied with the requirements of the listing rules relating to Related Party Transactions.



A.M.de S.Jayaratne

Chairman

Related Party Transactions Review Committee

Colombo

23rd June 2021

Independent Auditors' Report



KPMG
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TO THE SHAREHOLDERS OF COLOMBO INVESTMENT TRUST PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of Colombo Investment Trust PLC ("the Company"), which comprise the Statement of Financial Position as at 31st March 2021, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, including a Summary of Significant Accounting Policies, and other explanatory information as set out on pages 23 to 52.

In our opinion, the accompanying Financial Statements give a true and fair view of the Financial Position of the Company as at 31st March 2021, and of its Financial Performance and its Cash Flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Carrying value of quoted investments

Refer Note 3.1 (significant accounting policy) and Note 10 (Notes to the Financial Statements).

Basis for Opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Risk Description	Our Response
<p>The Company's quoted equity investment portfolio makes up 99% of total assets (by value) and is considered to be the key driver of the Company's capital and revenue performance.</p> <p>We do not consider these investments to be at high risk of significant misstatement, or to be subject to a significant level of judgment, because they comprise quoted investments. However, due to their materiality in the context of the Financial Statements as a whole, they are considered to be the area which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.</p>	<p>Our audit procedures include:</p> <ul style="list-style-type: none"> documenting the processes in place to record investment transactions and to value the portfolio. agreeing the total valuation of the portfolio investments to externally quoted prices. agreeing the total portfolio investment holdings to third party confirmations. assessing the adequacy of Financial Statement disclosure.

Independent Auditors' Report



Other Information

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

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Independent Auditors' Report



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

CA Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is 2599.

KPMG
Chartered Accountants
Colombo

23rd June 2021

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31st March

	Note	2021 Rs. '000	2020 Rs. '000
Revenue	4	17,116	18,967
Cost of Investments disposed		(1,725)	(5,964)
Net change in Fair Value through Profit or Loss Financial Assets		65,827	398
Other Income	5	19	20
Administrative Expenses		(4,227)	(3,398)
Impairment (Expense)/Reversal for Related Party Receivable		(4)	634
Operating Profit		77,006	10,657
Finance Income		-	3,943
Finance Costs		(2,638)	(3,405)
Net Finance (Expenses)/Income	6	(2,638)	538
Profit before Tax	7	74,368	11,195
Income Tax Expenses	8.1	-	-
Profit for the year		74,368	11,195
Other Comprehensive Income/(Expense)			
Items that will not be reclassified to Profit or Loss			
Financial Assets at Fair Value through Other Comprehensive Income - Net change in Fair Value		473,990	(296,869)
Financial Assets at Fair Value through Other Comprehensive Income - Reclassified to Equity		315	(1,031)
Financial Assets at Fair Value through Other Comprehensive Income - Profit on Disposal		90	48
Total Other Comprehensive Income/(Expense)		474,395	(297,852)
Total Comprehensive Income/(Expense)		548,763	(286,657)
Earnings per Share	9.1	10.87	1.64

Notes on pages 27 to 52 form an integral part of these Financial Statements.

Figures in brackets indicate deductions.

Statement of Financial Position

As at 31st March

	Note	2021 Rs. '000	2020 Rs. '000
ASSETS			
Non - Current Assets			
Financial Assets at Fair Value through Other Comprehensive Income	10.1	943,481	468,358
Total Non - Current Assets		943,481	468,358
Current Assets			
Financial Assets at Fair Value through Profit or Loss	10.2	273,262	208,835
Trade and Other Receivables	11	3,784	2,038
Amounts due from Related Companies	12	4,436	5,440
Cash and Cash Equivalents	13	1,788	997
Total Current Assets		283,270	217,310
Total Assets		1,226,751	685,668
EQUITY AND LIABILITIES			
Equity			
Stated Capital	14	187,431	187,431
Retained Earnings		284,757	210,614
FVOCI Reserve		734,378	260,073
Total Equity		1,206,566	658,118
Liabilities			
Current Liabilities			
Interest bearing Borrowings	15	-	3,000
Trade and Other Payables	16	19,973	24,319
Dividend Payable		176	195
Current Tax Liabilities		36	36
Total Current Liabilities		20,185	27,550
Total Liabilities		20,185	27,550
Total Equity and Liabilities		1,226,751	685,668
Net Assets per Share (Rs.)		176.32	96.17

Notes on pages 27 to 52 form an integral part of these Financial Statements.

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

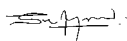


M. V. M. Paulraj

Director

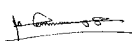
Corporate Managers & Secretaries (Private) Limited

The Board of Directors is responsible for the preparation and presentation of these Financial Statements. Approved and signed for and on behalf of the Board of Directors of Colombo Investment Trust PLC.



S.D.R. Arudpragasam

Director



S. Shanmugalingam

Director

Colombo
23rd June 2021

Statement of Changes in Equity

	Stated Capital Rs.'000	Retained Earnings Rs.'000	FVOCI Reserve Rs.'000	Total Equity Rs.'000
Balance as at 01st April 2019	179,373	206,398	557,973	943,744
Profit for the year	-	11,195	-	11,195
Other Comprehensive Expense	-	-	(296,869)	(296,869)
Scrip Dividend	8,058	(8,058)	-	-
Financial Assets at Fair Value through Other Comprehensive Income, Reclassified to Equity	-	1,031	(1,031)	-
Financial Assets at Fair Value through Other Comprehensive Income, Profit on Disposal	-	48	-	48
Balance as at 31st March 2020	187,431	210,614	260,073	658,118
Profit for the year	-	74,368	-	74,368
Other Comprehensive Income	-	-	473,990	473,990
Financial Assets at Fair Value through Other Comprehensive Income, Reclassified to Equity	-	(315)	315	-
Financial Assets at Fair Value through Other Comprehensive Income, Profit on Disposal	-	90	-	90
Balance as at 31st March 2021	187,431	284,757	734,378	1,206,566

Notes on pages 27 to 52 form an integral part of these Financial Statements.

Figures in brackets indicate deductions.

Statement of Cash Flows

For the year ended 31st March

	Note	2021 Rs. '000	2020 Rs. '000
CASH FLOW FROM OPERATING ACTIVITIES			
Dividend Received		10,808	6,605
Payments to Service Providers		(8,197)	(2,462)
Acquisition of Investments		(170)	(50,000)
Settlement from Broker		508	-
Proceeds from Disposal of Investments		569	33
Receipt of Current Account Balances		1,000	17,150
Overdraft Interest		-	(38)
Interest paid		(719)	(620)
Net Cash generated from/(used in) Operating Activities	A	3,799	(29,332)
CASH FLOW FROM INVESTING ACTIVITIES			
Settlement of loan granted		-	33,000
Net Cash generated from Investing Activities		-	33,000
CASH FLOW FROM FINANCING ACTIVITIES			
Movement in Fractional Share proceeds		(8)	13
Loan Repayment		(3,000)	(3,000)
Net Cash used in Financing Activities		(3,008)	(2,987)
Net increase in Cash and Cash Equivalents		791	681
Cash and Cash Equivalents at the beginning of the year	13	997	316
Cash and Cash Equivalents at the end of the Year	13	1,788	997
Note: A			
Reconciliation of Profit for the Year to the net Cash Flows used in Operating Activities			
Cash Flow from Operating Activities			
Profit before Tax		74,368	11,195
Adjustments for:			
Net change in Fair Value through Profit or Loss Financial Assets		(65,827)	(398)
Gain on Disposal of Financial Assets		(235)	35
Dividend received as Scrip dividend		(1,671)	(4,648)
Interest Expense		2,638	3,404
Interest Income		-	(3,943)
Provision for Related Party Receivable		3	(634)
Write Back of Unclaimed Dividends		(19)	(20)
Operating Profit before Working Capital Changes		9,257	4,991
Changes in Working Capital			
(Increase) / Decrease in Receivables		(1,746)	(19)
(Increase) / Decrease in Amounts Due from Related Parties		1,001	17,150
Increase / (Decrease) in Trade & Other Payables		(4,393)	(867)
Cash generated from / (Used in) Operating Activities		4,119	21,255
Interest Paid		(719)	(620)
Acquisition of Investment		(170)	(50,000)
Proceeds from Disposal of Investments		569	33
Net Cash generated from / (Used in) Operating Activities		3,799	(29,332)

Notes on pages 27 to 52 form an integral part of these Financial Statements.

Figures in brackets indicate deductions.

Notes to the Financial Statements

1 REPORTING ENTITY

Colombo Investment Trust PLC, is a Quoted Public Company with limited liability incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The Company's registered office is situated at 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 1.

The Principal activity of the Company is holding and managing an investment portfolio.

The Company does not employ any staff. All staff related services are provided by Corporate Managers & Secretaries (Pvt) Limited.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

The Financial Statements of the Company comprise the Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows together with the Accounting Policies and Notes to the Financial Statements. The Financial Statements have been prepared in accordance Sri Lanka Accounting Standards (SLFRS/LKAS) as issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and the requirements of the Companies Act No.7 of 2007.

The Financial Statements were authorised for issue by the Board of Directors on 23rd June 2021.

2.2 Basis of Measurement

The Financial Statements have been prepared on the historical cost basis, except for the following material items in the Statement of Financial Position.

* *Financial assets at fair value through profit or loss investments (in quoted equity instruments) which are measured at fair value.*

* *Fair value through Other Comprehensive Income financial assets which are measured at fair value.*

2.3 Functional and Presentation Currency

The Financial Statements are presented in Sri Lankan Rupees, which is the Company's functional currency, rounded to the nearest thousand, unless otherwise stated.

2.4 Use of Estimates and Judgments

The preparation of the Financial Statements in conformity with Sri Lanka Accounting Standards (SLFRS/LKAS) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

2.4.1 Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an appropriate interest rate to discount them. Management makes certain assumptions based on their judgment in forecasting future operating results.

2.4.2 Fair Value of Financial Instruments

Management applies valuation techniques to determine the fair value of financial instruments where active market quotes are not available. This requires management to develop estimates and assumptions based on market inputs, using observable data that market participants would use in pricing the instrument. Where such data is not observable, management uses its best estimate. Estimated fair values of financial instruments may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Notes to the Financial Statements

COVID-19 Considerations

The Company evaluates the material accuracy of the valuations incorporated in the Financial Statements as they can involve a high degree of judgement and estimation in determining the carrying values of financial assets and financial liabilities at the reporting date. The majority of valuation models the Company uses employ only observable market data as inputs. This has not changed as a result of COVID-19. However the Company has considered the impact of related economic and market disruptions on fair value measurement assumptions and the appropriateness of valuation inputs, notably valuation adjustments, as well as the impact of COVID-19 on the classification of exposures in the fair value hierarchy.

2.4.3 Going Concern

In preparing these Financial Statements, the management has assessed the existing and anticipated effect of COVID-19 on the Company and the appropriateness of the use of going concern basis of preparation giving special attention to highly impacted areas.

Having evaluated the future outlook of the Company, the Directors are satisfied that the Company has adequate resources to continue its operation at least, but not limited to, 12 months from the reporting date, to justify adopting the going concern basis in preparing these Financial Statements.

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these Financial Statements.

3.1 Financial Instruments

3.1.1 Financial Assets

Initial Recognition and measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and Subsequent Measurement of Financial Assets

On initial recognition, financial assets are classified as amortised cost; FVOCI (Fair value through OCI) debt investment; FVOCI - equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL:

- *it is held within a business model whose objective is to hold assets to collect contractual cash flows; and*
- *its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.*

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- *It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and*
- *its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.*

Notes to the Financial Statements

On initial recognition of an equity investment that is not held for trading, Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Subsequent measurement and gain and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including dividend income are recognised in profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Re-classification of Financial Assets

Re-classification of financial assets is required if the Company changes its business model for managing those financial assets. Re-classification is applied prospectively from the date of the re-classification.

De-recognition of Financial Assets

On de-recognition of a financial asset in its entirety, the difference between: The carrying amount (measured at the date of de-recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in profit or loss, except for financial asset measurement FVOCI.

Impairment

Financial Instruments and Contract Assets

The Company recognizes loss allowances for Expected Credit Losses (ECLs) on:

- *financial assets measured at amortised cost;*
- *debt investments measured at FVOCI; and*

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- *debt securities that are determined to have low credit risk at the reporting date;and*
- *other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.*

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward- looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- *the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or*
- *the financial asset is more than 90 days past due.*

Notes to the Financial Statements

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of Allowance for ECL in the Statement of Financial Position.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

3.1.2 Financial Liabilities

Financial Liabilities are initially recognised only when Company becomes a party to the contractual provisions of the financial instrument. All financial liabilities are recognised initially at fair value. The Company's financial liabilities include trade and other payables. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost. A financial liability is derecognized only when it is extinguished - i.e. when the obligation specified in the contract is discharged or cancelled or expires.

3.2 Stated Capital Ordinary Shares

Ordinary shares are classified as equity. As per the Companies Act No. 07 of 2007, Section 58(1), Stated Capital in relation to a Company means the total of all amounts received by the Company or due and payable to the Company in respect of the issue of shares and in respect of calls on arrears.

3.3 Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

3.4 Provisions

A provision is recognized if, as a result of a past event, the Company has a present, legal or constructive obligation that can be estimated reliably; and it is probable that an outflow, of economic benefits will be required to settle the obligation.

3.5 Employee Benefits

The Company does not employ any staff. All operational services are provided by Corporate Managers & Secretaries (Pvt) Limited.

3.6 Revenue Recognition

Revenue represents dividend income and proceeds from disposal of investments recognized on an accrual basis.

a) Dividend Income

Dividend Income is recognized in the Statement of Profit or Loss when the right to receive such dividend is established.

b) Proceeds from Sale of Shares

Proceeds from sale of shares are recognized on an accrual basis.

c) Interest Income

Finance income comprises interest income on funds invested. Interest income is

Notes to the Financial Statements

recognized as it accrues in the Statement of Profit or Loss, using the effective interest method.

3.7 Expenses

All expenditure incurred in the running of the business has been charged to revenue in arriving at the profit and loss for the year. For the purpose of presentation of the Income Statement, the Directors are of the view that "function of expense method" fairly presents the elements of the Company's performance, hence such presentation method is adopted.

Finance costs

Finance costs comprise interest expense on borrowings and interest on margin trading.

3.8 Income Tax Expense

Income tax expense comprises current and deferred tax. Income tax is recognized in the Statement of Profit or Loss except to the extent that it relates to items recognized directly in equity or in Other Comprehensive Income.

Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the Reporting date and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognized using the Statement of Financial Position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax provision is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the Reporting date.

Deferred tax assets relating to the carried forward unused tax losses are recognized to the extent that it is probable that future taxable profit will be available against

which the unused tax losses can be utilized. Deferred tax assets are reviewed at the Reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Additional income taxes that arise from the distribution of dividends are recognized, at the same time as the liability to pay the related dividend is recognized.

3.9 Statement of Cash Flows

The Statement of Cash Flows has been presented using the "Direct Method" of preparing cash flows in accordance with Sri Lanka Accounting Standard LKAS 7- "Statement of Cash Flows".

3.10 Segment reporting

A segment is a distinguishable component of the Company that is engaged either in providing products or service (business segment), or in providing products and services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. However, there are no distinguishable components to be identified as segments of the Company which is subject to different risks and rewards.

3.11 Financial Risk Management Policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company has loan and borrowing, trade and other receivables, and cash that arrive directly from its operations. The Company

Notes to the Financial Statements

also holds fair value through OCI and fair value through profit or loss investments.

The Company is exposed to market risk, credit risk and liquidity risk. The Board monitors these risks. The Company's financial risk-taking activities are governed by appropriate policies and procedures and the financial risks are identified, measured and managed in accordance with Company policies and the Company's risk appetite.

3.12 Dividend Distribution

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

3.13 Earnings/(Loss) per share

The Company presents basic earnings/ (loss) per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

3.14 Events after the Reporting Period

All material events after the reporting date have been considered and where appropriate adjustments or disclosures have been made in the Financial Statements.

3.15 Comparative figures

Comparative information including quantitative, narrative and descriptive information is disclosed in respect of the previous period for all amounts reported in the Financial Statements in order to enhance the understanding of the current period's Financial Statements and to enhance the inter- period comparability.

3.16 Commitments and contingencies

Contingencies are possible assets or obligations that arise from a past event and would be confirmed only on the occurrence or non-occurrence of uncertain future events, which are beyond the Company's control.

3.17 Directors responsibilities

Board of Directors 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.

3.18 New and amended standards issued but not effective as at the reporting date

The Institute of Chartered Accountants of Sri Lanka has issued number of new Sri Lanka Accounting Standards (SLFRSs/LKASs) and amendments that are effective for annual periods beginning after the current financial year. Accordingly, these standards have not been applied in preparing these Financial Statements and the Company plans to apply these standards if applicable as and when they become effective.

A number of new standards and amendments to standards are effective for annual periods beginning after the current financial year and earlier application is permitted; however, the Company has not early adopted them in preparing these Financial Statements.

The following amended standards are not expected to have a significant impact on the Company's Financial Statements.

- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to LKAS 16)

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity

Notes to the Financial Statements

recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.

- Reference of Conceptual Framework (Amendments to SLFRS 3)

The amendments update an outdated reference to the Conceptual Framework in LKAS 3 without significantly changing the requirements in the standard.

- Classification of Liabilities as Current or Non-current (Amendments to LKAS 1)

The amendments aim to promote consistency in applying the requirements by helping Companies determine whether, in the Statement of Financial Position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

- Onerous Contracts - Cost of fulfilling the contract (Amendments to LKAS 37)

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

- Interest benchmark reform phase 2 (Amendments to SLFRS 9, LKAS 39, SLFRS 7, SLFRS 4 and SLFRS 16)

The amendments in Interest Rate Benchmark Reform clarify that entities would continue to apply certain hedge accounting requirements assuming that the interest rate benchmark on which the hedged cash flows and cash flows from the hedging instrument are based will not be altered as a result of

interest rate benchmark reform.

- COVID-19 related concessions (Amendments to SLFRS 16)

Introduces an optional practical expedient that simplifies how a lessee accounts for rent concessions that are a direct consequence of COVID-19. A lessee that applies the practical expedient is not required to assess whether eligible rent concessions are lease modifications, and accounts for them in accordance with other applicable guidance.

The practical expedient applies to COVID-19 related rent concessions that reduce lease payments due on or before 30 June 2021.

- SLFRS 17 Insurance Contracts and amendments of SLFRS 17 Insurance Contracts

SLFRS 17 Insurance Contracts establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts. SLFRS 17 introduces a new measurement model for insurance contracts and becomes effective in 2023.

3.19 Changes in Accounting Standards

The following amendments and improvements do not expect to have a significant impact on the Company Financial Statements.

Amendments to SLFRS 3:
Definition of a Business.

Amendments to LKAS 1 and LKAS 8 :
Definition of Material.

Conceptual Framework for Financial Reporting.

Notes to the Financial Statements

For the year ended 31st March

4 Revenue

	2021	2020
	Rs. '000	Rs. '000
Dividend Income - Related Parties	3,792	5,009
- Others	11,364	8,030
Proceeds from Disposal of Investments	1,960	5,928
	17,116	18,967

5 Other Income

Write back of Unclaimed Dividends	19	20
	19	20

6 Net Finance (Expense)/Income

Interest Income - The Colombo Fort Land & Building PLC	-	3,943
Finance Costs - Interest on Long Term Loan	(103)	(620)
- Interest on Margin Trading	(2,535)	(2,747)
- Overdraft Interest	-	(38)
	(2,638)	(3,405)
	-	538

7 Profit before Tax

Is stated after charging all expenses including the following :

Auditors' Fees - Statutory Audit	321	297
- Audit Related Service	-	55
- Non Audit Service	102	95
Directors' Fees	360	360
Audit Committee Fees	90	90
Secretarial Fees and Registrars Fees	960	882

Notes to the Financial Statements

For the year ended 31st March	2021	2020
	Rs.'000	Rs.'000
8 Income Tax Expenses		
8.1 Current Tax Expenses		
Taxation on Profits for the Year(Note 8.2)	-	-
	-	-
8.2 Reconciliation between Accounting Profit/(Loss) and Taxable Income		
Accounting Profit before Tax	74,368	11,195
Aggregate Disallowable Items	2,643	7,496
Aggregate Allowable Items	(65,846)	(13,435)
Profits and Income Exempt from Income Tax	(4,173)	(655)
Income not forming part of Total Statutory Income	-	-
Tax Loss Utilized	(6,992)	(4,601)
Taxable Income	-	-
Taxation on Profits for the year	-	-
8.3 Accumulated Tax Losses		
Tax Loss Brought Forward	21,837	26,338
Adjustment to Tax Loss Brought Forward	-	100
Tax Loss Utilized	(6,992)	(4,601)
Tax Loss Carried Forward	14,845	21,837

In accordance with the provisions of the Inland Revenue Act No. 24 of 2017 and Inland Revenue (Amendment) Act No. 10 of 2021 the Company is liable to income tax at 24% (2020 - 28%) and Dividend Income received from a resident Company is liable to income tax at 14% (2020 - 14%).

8.4 Deferred Taxation

For the year ended 31st March	2021		2020	
	Temporary Difference	Tax Effect	Temporary Difference	Tax Effect
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Tax Loss carried forward	(14,845)	(3,563)	(21,837)	(6,114)

Deferred tax asset has not been recognised in respect of the above tax loss carried forward because it is not probable that future taxable profits will be available against which the Company can utilize the benefits therefrom.

Notes to the Financial Statements

9 Earnings per Share and Dividend per Share

9.1 Earnings per Share

The calculation of earnings per share is based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares in issue during the year and is calculated as follows,

For the year ended 31st March	2021	2020
Profit attributable to Ordinary Shareholders (Rs.'000)	74,368	11,195
Weighted Average Number of Ordinary Shares (No.'000)[Note.9.1.1]	6,843	6,843
Earnings per Share (Rs.)	10.87	1.64
9.1.1 Weighted Average Number of Ordinary Shares		
Number of Shares in issue as at beginning of the Year (No.'000)	6,843	6,715
Number of Shares issued due to Scrip Dividend (No.'000)	-	<u>128</u>
Weighted Average Number of Shares as at end of the Year (No.'000)	6,843	<u>6,843</u>

9.2 Dilutive earnings per share

There were no potentially dilutive ordinary shares outstanding at any time during the year, hence diluted earnings per share is equal to the basic earnings per share.

9.3 Dividend Per Share

	2021	2020
First & Final Dividend paid per share (Rs.'000)	8,212	-
Number of Ordinary Shares entitled for Dividend (No.'000)	6,843	-
Dividend per Share (Rs.)	1.20	-

9.2.1 The Directors have recommended the payment of a first & final dividend of Rs.1.20 per share by way of a Scrip Dividend for the year ended 31st March 2021, to the registered shareholders as at end of trading on the date of Annual General Meeting in the proportion of 1 new ordinary share for every 104.1670193171 existing ordinary shares which will be declared at the Annual General Meeting,

Notes to the Financial Statements

10 Investments

Investments designated as at FVOCI

The Company designated the investments shown below as at FVOCI because these investments represent that the Company intends to hold for the long term for strategic purposes.

As at 31st March

10.1 Financial Assets at Fair Value through Other Comprehensive Income

		2021 Rs. '000	2020 Rs. '000
Investments in Quoted - Non-Related Companies	- (Note 10.1.1)	193,114	132,806
Investments in Quoted - Related Companies	- (Note 10.1.2)	<u>749,491</u>	<u>334,718</u>
		942,605	467,524
Investments in Unquoted - Non-Related Companies	- (Note 10.1.3)	181	203
Investments in Unquoted - Related Companies	- (Note 10.1.4)	501	501
Investments in Unit Trust	- (Note 10.1.5)	192	128
Investments in Debentures	- (Note 10.1.6)	<u>2</u>	<u>2</u>
		943,481	468,358

10.1.1 Investments in Quoted - Non-Related Companies

As at 31st March

	2021 Fair			2020 Fair		
	No. of Shares	Value Rs. '000	Cost Rs. '000	No. of Shares	Value Rs. '000	Cost Rs. '000
BANKS						
Commercial Bank of Ceylon PLC -Voting	750,670	64,182	28,643	733,513	44,084	27,176
Commercial Bank of Ceylon PLC-Non Voting	1,928	152	85	1,880	110	81
DFCC Bank PLC	6,321	377	172	6,000	364	151
		<u>64,711</u>	<u>28,900</u>		<u>44,558</u>	<u>27,408</u>
CAPITAL GOODS						
Aitken Spence PLC	25,275	1,403	98	25,275	776	98
Hayleys PLC	30,000	1,824	118	3,000	371	118
John Keells Holdings PLC	11,418	1,696	682	11,418	1,317	682
		<u>4,923</u>	<u>898</u>		<u>2,464</u>	<u>898</u>
FOOD BEVERAGE & TOBACCO						
Ceylon Cold Stores PLC	26,296	16,350	239	26,296	17,224	239
Ceylon Tobacco Company PLC	4,038	3,956	47	4,038	4,038	47
Nestle Lanka PLC	50,904	58,361	313	50,904	51,479	313
		<u>78,667</u>	<u>599</u>		<u>72,741</u>	<u>599</u>
MATERIALS						
Chevron Lubricants Lanka PLC	10,000	900	177	10,000	535	177
CIC Holdings PLC - Voting	631,400	32,138	1,555	157,850	5,525	1,555
Union Chemicals Lanka PLC	6,400	4,576	113	6,400	2,560	113
		<u>37,614</u>	<u>1,845</u>		<u>8,620</u>	<u>1,845</u>
RETAILING						
John Keells PLC	102,848	7,199	68	102,848	4,423	68
		<u>7,199</u>	<u>68</u>		<u>4,423</u>	<u>68</u>
Total		193,114	32,310		132,806	30,818

Notes to the Financial Statements

10.1.2 Investments in Quoted - Related Companies

As at 31st March	2021			2020		
	No. of Shares	Fair Value Rs.'000	Cost Rs.'000	No. of Shares	Fair Value Rs.'000	Cost Rs.'000
Beruwala Resorts PLC	3,000,000	2,400	2,760	3,000,000	1,800	2,760
C M Holdings PLC	318,000	26,394	30,267	317,718	13,503	30,243
E B Creasy & Company PLC	10,550,500	320,735	2,405	105,410	86,109	2,309
Kotagala Plantations PLC	-	-	-	57,000	285	793
Lankem Ceylon PLC	270,000	7,317	13,148	270,000	4,617	13,148
Lankem Developments PLC	20,040	66	335	20,040	30	335
Marawila Resorts PLC	898,200	1,707	2,709	898,200	988	2,709
Muller and Phipps (Ceylon) PLC	90,000	99	124	90,000	54	124
Sigiriya Village Hotels PLC	44,550	1,595	322	44,550	1,172	322
The Colombo Fort Land & Building PLC	30,112,969	388,457	119,121	30,112,969	225,847	119,121
York Arcade Holdings PLC	5,043	721	480	5,043	313	480
		<u>749,491</u>	<u>171,671</u>		<u>334,718</u>	<u>172,344</u>

10.1.3 Investments in Unquoted - Non-Related Companies

Bartleet Transcapital Limited	10,000	181	200	10,000	203	200
		<u>181</u>	<u>200</u>		<u>203</u>	<u>200</u>

10.1.4 Investments in Unquoted - Related Companies

Agarapatana Plantations Limited	250,000	501	501	250,000	501	501
Capital Leasing Co.Limited	150,000	1,500	1,500	150,000	1,500	1,500
Imperial Hotels Limited	625	125	125	625	125	125
		<u>2,126</u>	<u>2,126</u>		<u>2,126</u>	<u>2,126</u>
Provision for Impairment		(1,625)	-		(1,625)	-
		<u>501</u>	<u>2,126</u>		<u>501</u>	<u>2,126</u>

10.1.5 Investments in Unit Trust

National Equity Fund	6,000	192	60	6,000	128	60
		<u>192</u>	<u>60</u>		<u>128</u>	<u>60</u>

10.1.6 Investments in Debentures

Vanik Incorporation Limited 15% Debentures @ Rs. 100/-	24	2	2	24	2	2
		<u>2</u>	<u>2</u>		<u>2</u>	<u>2</u>
Total net carrying value of investments		<u>943,481</u>	<u>206,369</u>		<u>468,358</u>	<u>205,550</u>

10.1.7 Investments disposed during the Year

Name of the Company	No. of Shares	Fair Value as at date of Disposal Rs.'000	Cumulative Gain on Disposal Rs.'000
Kotagala Plantations PLC	57,000	479	90

The above shares were disposed in order to manage cash flow deficits.

Notes to the Financial Statements

As at 31st March

10.2 Financial Assets at fair value through Profit or Loss

		2021	2020
		Rs. '000	Rs. '000
Investments in Quoted - Non-Related Companies	-	82,247	52,490
Investments in Quoted - Related Companies	-	191,008	156,338
Investments in Unquoted - Non-Related Companies	-	7	7
		<u>273,262</u>	<u>208,835</u>

10.2.1 Investments in Quoted - Non-Related Companies

As at 31st March

	2021		2020			
	No. of	Fair	Cost	No. of	Fair	
	Shares	Value	Rs.'000	Shares	Value	
		Rs.'000	Rs.'000		Rs.'000	
		Rs.'000	Rs.'000		Rs.'000	
AUTOMOBILES & COMPONENTS						
Kelani Tyres PLC	2,160	168	23	2,160	71	23
		<u>168</u>	<u>23</u>		<u>71</u>	<u>23</u>
BANKS						
Hatton National Bank PLC	500	63	64	-	-	-
National Development Bank PLC	3,206	259	147	3,206	212	147
Nations Trust Bank PLC	20,021	1,107	451	20,021	1,265	451
Sampath Bank PLC	40,383	2,173	1,653	13,461	1,602	1,653
Seylan Bank PLC - Voting	144	7	7	142	5	7
Seylan Bank PLC - Non Voting	154	7	3	150	3	3
Union Bank of Colombo PLC	200	2	5	200	2	5
		<u>3,618</u>	<u>2,330</u>		<u>3,089</u>	<u>2,266</u>
CAPITAL GOODS						
Hemas Holdings PLC	777	65	16	777	44	16
Lanka Walltiles PLC	24,150	4,552	125	4,830	198	125
Royal Ceramics Lanka PLC	434	112	6	434	24	6
Sierra Cables PLC	1,900	11	6	1,900	4	6
Vallibel One PLC	1,677	79	43	1,600	19	40
		<u>4,819</u>	<u>196</u>		<u>289</u>	<u>193</u>
COMMERCIAL & PROFESSIONAL SERVICES						
Gestetner of Ceylon PLC	225	19	31	225	20	31
		<u>19</u>	<u>31</u>		<u>20</u>	<u>31</u>
CONSUMER DURABLES & APPAREL						
Blue Diamonds Jewellery Worldwide PLC	178	1	1	1,000	1	4
Dankotuwa Porcelain PLC	12,375	127	159	12,375	56	159
Hayleys Fabric PLC	12,000	169	263	6,000	52	263
Hayleys Fibre PLC	17,274	822	317	5,758	501	317
Regnis (Lanka) PLC	2,484	122	12	1,242	74	12
Singer Industries (Ceylon) PLC	862	38	5	431	27	5
Teejay Lanka PLC	25,000	1,000	459	25,000	582	459
		<u>2,279</u>	<u>1,216</u>		<u>1,293</u>	<u>1,219</u>

Notes to the Financial Statements

10.2.1 Investments in Quoted - Non-Related Companies (Contd.)

As at 31st March

	2021			2020		
	No. of Shares	Fair Value Rs.'000	Cost Rs.'000	No. of Shares	Fair Value Rs.'000	Cost Rs.'000
CONSUMER SERVICES						
Eden Hotel Lanka PLC	565	6	6	565	9	6
Renuka City Hotel PLC	525	119	13	525	100	13
Royal Palms Beach Hotels PLC	375	5	4	375	5	4
Serendib Hotels PLC - Voting	80,000	1,160	102	80,000	1,688	102
Serendib Hotels PLC - Non voting	50,000	445	389	50,000	550	389
Tal Lanka Hotels PLC	1,550	19	7	1,550	12	7
The Nuwara Eliya Hotels Company PLC	29	30	39	29	24	39
		<u>1,784</u>	<u>560</u>		<u>2,388</u>	<u>560</u>
DIVERSIFIED FINANCIALS						
Asia Capital PLC	1,550	8	42	1,550	7	42
Ceylon Investment PLC	213,071	13,573	1,240	209,102	6,085	1,083
LOLC Holdings PLC	30,840	9,005	20	30,840	2,800	20
Lanka Ventures PLC	300	15	6	300	11	6
Merchant Bank of Sri Lanka & Finance PLC	11,500	81	137	11,500	64	137
Nation Lanka Finance PLC	861	1	8	861	1	8
People's Leasing & Finance PLC	11,868	140	212	11,333	138	206
People's Merchant Finance PLC	1,500	11	25	1,500	13	25
Singer Finance (Lanka) PLC	2,500	34	32	2,500	22	32
The Finance Company PLC	140	-	11	140	-	11
		<u>22,868</u>	<u>1,733</u>		<u>9,141</u>	<u>1,570</u>
ENERGY						
Lanka IOC PLC	18,353	349	495	18,353	290	495
Laugfs Gas PLC	1,000	22	23	1,000	9	23
		<u>371</u>	<u>518</u>		<u>299</u>	<u>518</u>
FOOD & STAPLES RETAILING						
C T Holdings PLC	1,210	206	253	1,210	194	253
Cargills (Ceylon) PLC	2,857	671	536	2,857	486	536
		<u>877</u>	<u>789</u>		<u>680</u>	<u>789</u>

Notes to the Financial Statements

10.2.1 Investments in Quoted - Non-Related Companies (Contd.)

As at 31st March

	No. of Shares	2021 Fair Value Rs.'000	Cost Rs.'000	No. of Shares	2020 Fair Value Rs.'000	Cost Rs.'000
FOOD BEVERAGE & TOBACCO						
Bairaha Farms PLC	300	41	8	300	24	8
Balangoda Plantations PLC	100	1	2	100	1	2
Browns Investments PLC	22,000	121	55	22,000	42	55
Carson Cumberbatch PLC	26,710	7,439	505	26,710	4,140	505
Ceylon Beverage Holdings PLC	1,800	1,403	161	1,800	1,440	161
Hapugastenne Plantations PLC	100	1	1	100	1	1
Hatton Plantations PLC	10,000	87	76	10,000	42	76
HVA Foods PLC	1,800	9	29	1,800	3	29
Kahawatte Plantations PLC	165	5	2	165	6	2
Keells Food Products PLC	2,283	371	72	2,283	247	72
Lanka Milk Foods (CWE) PLC	2,822	424	131	2,822	209	131
Lion Brewery Ceylon PLC	6,000	3,414	301	6,000	3,120	301
Maskeliya Plantations PLC	800	9	12	800	5	12
Madulsima Plantations PLC	100	1	1	100	1	1
Namunukula Plantations PLC	1,000	185	15	1,000	78	15
Renuka Agri Foods PLC	800	10	10	800	11	10
Three Acre Farms PLC	600	120	18	600	48	18
Udapussellawa Plantations PLC	100	2	1	100	2	1
Watawala Plantations PLC	8,430	481	15	8,430	169	15
		<u>14,124</u>	<u>1,415</u>		<u>9,589</u>	<u>1,415</u>
HEALTH CARE EQUIPMENT & SERVICES						
The Lanka Hospital Corporation PLC	500	22	8	500	14	8
		<u>22</u>	<u>8</u>		<u>14</u>	<u>8</u>
INSURANCE						
Ceylinco Insurance PLC	11,024	23,010	157	11,024	19,568	157
HNB Assurance PLC	51,000	3,024	287	17,000	2,057	287
Janashakthi Insurance Company PLC	4,000	120	48	4,000	91	48
People's Insurance PLC	14,600	447	219	14,600	250	219
		<u>26,601</u>	<u>711</u>		<u>21,966</u>	<u>711</u>
MATERIALS						
ACL Plastics PLC	300	76	12	300	34	12
Acme Printing & Packaging PLC	-	-	-	638,738	1,725	2,830
Bogala Graphite Lanka PLC	600	14	3	600	6	3
CIC Holdings PLC - Non Voting	300	13	1	75	2	1
Dipped Products PLC	13,520	627	5	1,352	77	5
Piramal Glass Ceylon PLC	120,000	1,332	483	120,000	396	483
Richard Pieries Exports PLC	100	37	4	100	19	5
		<u>2,099</u>	<u>508</u>		<u>2,259</u>	<u>3,339</u>

Notes to the Financial Statements

10.2.1 Investments in Quoted - Non-Related Companies (Contd.)

As at 31st March

	No. of Shares	2021 Fair Value Rs.'000	Cost Rs.'000	No. of Shares	2020 Fair Value Rs.'000	Cost Rs.'000
REAL ESTATE						
C T Land Development PLC	3,527	95	13	3,527	72	13
Lee Hedges PLC	125	8	1	125	8	1
Seylan Developments PLC	1,000	15	12	1,000	10	12
Serendib Land PLC	642	1,738	188	642	756	188
		<u>1,856</u>	<u>214</u>		<u>846</u>	<u>214</u>
RETAILING						
RIL Property PLC	6,666	43	53	6,666	27	53
Sathosa Motors PLC	232	52	8	232	60	8
Singer (Sri Lanka) PLC	3,000	52	3	1,000	20	3
United Motors Lanka PLC	1,650	95	157	1,650	75	157
		<u>242</u>	<u>221</u>		<u>182</u>	<u>221</u>
TELECOMMUNICATION SERVICES						
Dialog Axiata PLC	11,830	154	156	11,830	100	156
		<u>154</u>	<u>156</u>		<u>100</u>	<u>156</u>
UTILITIES						
Laugfs Power PLC	1,000	9	5	1,000	3	5
Panasian Power PLC	20,000	72	60	20,000	50	60
Resus Energy PLC	10,962	265	228	10,474	211	215
		<u>346</u>	<u>293</u>		<u>264</u>	<u>280</u>
Total		<u>82,247</u>	<u>10,922</u>		<u>52,490</u>	<u>13,513</u>

10.2.2 Investments in Quoted - Related Companies

Colombo Fort Investments PLC	2,731,229	179,715	113,334	2,731,229	150,218	113,334
C. W. Mackie PLC	12,500	550	668	12,500	485	668
Lankem Developments PLC	1,949,560	6,434	12,645	1,949,560	2,924	12,645
Laxapana Batteries PLC	310,000	4,309	2,197	304,600	2,711	2,116
		<u>191,008</u>	<u>128,844</u>		<u>156,338</u>	<u>128,763</u>

10.2.3 Investments in UnQuoted - Non Related Companies

LAUGFS Leisure Ltd	1,000	6	-	1,000	6	-
LAUGFS Eco Sri (Pvt) Ltd	1,000	1	-	1,000	1	-
		<u>7</u>	<u>-</u>		<u>7</u>	<u>-</u>
Total net carrying value of investments		<u>273,262</u>	<u>139,766</u>		<u>208,835</u>	<u>142,276</u>

10.3 Disclosure of Interest in Other Entities

The Company holds 39.53% of the voting rights (2020 – 39.53%) of Colombo Fort Investments PLC (CFIP). This investment in CFIP is held under trading portfolio and classified as Financial Asset at Fair Value through Profit or Loss in accordance with SLFRS 9 (Financial Instruments) based on the exemptions provided in LKAS 28 (Investments in Associates and Joint Ventures) considering the nature and extent of entity's investment activities and entity's organization and its relationship with its investees.

Notes to the Financial Statements

As at 31st March		2021	2020
		Rs. '000	Rs. '000
11	Trade and Other Receivables		
	Dividend Receivables - Others	3,693	1,948
	Other Receivables	82	81
	Withholding Tax	9	9
		3,784	<u>2,038</u>
12	Amounts due from Related Companies		
	The Colombo Fort Land & Building PLC		
	- Non - Interest bearing Receivable	4,502	5,503
	Provision for impairment	(66)	(63)
		4,436	<u>5,440</u>
	The above amounts due from related parties are receivable "on demand".		
13	Cash and Cash Equivalents		
	Cash at Bank	1,788	997
	Cash and Cash Equivalents for the purpose of Cash Flow	1,788	<u>997</u>
14	Stated Capital		
	Issued and Fully Paid Shares		
	At the beginning of the year -6,843,044 Ordinary Shares	187,431	179,373
	Scrip Dividend	-	8,058
	At the end of the year - 6,843,044 Ordinary Shares	187,431	<u>187,431</u>

The holders of ordinary shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share at a meeting of the Company.

Notes to the Financial Statements

As at 31st March		2021	2020
		Rs. '000	Rs. '000
15 Interest bearing Borrowings			
Loan			
At the beginning of the Year		3,000	6,000
Repayment during the Year		(3,000)	(3,000)
Balance as the Year end		-	<u>3,000</u>
Loan Repayable within One Year		-	3,000

15.1 Terms and Conditions of the Loan

Lender	Carrying Value 31.03.2021 Rs.Million	Carrying Value 31.03.2020 Rs.Million	Repayment	Interest Rate
Commercial Bank of Ceylon PLC	-	3.0	To be paid over a period of 5 years in two bi-annual installments of Rs.3 Mn each in March and September each year.	AWPLR+1.5%p.a.

15.2 Securities for the above Loan

Primary Mortgage Bond executed for Rs.30 Mn over the following shares owned by the Company lodged in a slash account opened through the Bank on the Central Depository Systems (Pvt) Ltd in the name of Commercial Bank of Ceylon PLC/Colombo Investment Trust PLC

Company	Shares
CIC Holdings PLC	628,000
Ceylinco Insurance PLC	11,000
Aitken Spence PLC	25,000
John Keells Holdings PLC	9,142
John Keells PLC	102,000
LOLC Holdings PLC	30,000
E. B. Creasy & Company PLC	3,000,000

As the loan has been settled the Securities were transferred back to the Company during April 2021.

Notes to the Financial Statements

As at 31st March		2021	2020
		Rs. '000	Rs. '000
16	Trade and Other Payables		
	Trade Payables		
	Acuity Partners (Pvt) Ltd	19,596	21,607
	Asha Phillip Securities Ltd	-	1,356
	Other Payables		
	Accrued Expenses	377	1,356
		19,973	<u>24,319</u>

16.1 Margin Trading Facility

The Company has entered into a Margin Trading Facility with Acuity Partners (Pvt) Limited for Rs.25 Mn. with effect from 3rd November 2016 at an Interest rate of 12.80% subsequently it was reduced to 11%.

The undermentioned shares of the Company have been offered as security.

Company	Shares
Commercial Bank of Ceylon PLC	330,543
Ceylon Tobacco Company PLC	3,000
Ceylon Cold Stores PLC	18,000
Chevron Lubricants Lanka PLC	9,000
Ceylon Investment PLC	203,797
Lankem Ceylon PLC	225,000
Lankem Developments PLC	1,819,600

17 Capital Commitments

There were no material capital commitments as at 31st March 2021.

18 Contingent Liabilities

There were no material contingent liabilities as at 31st March 2021 .

19 Related Party Disclosures

(a) Parent and Ultimate Controlling Party

The Company does not have an identifiable parent on its own.

(b) Transactions with Key Management Personnel

(i) Definition of Key Management Personnel

According to Sri Lanka Accounting Standards - LAKAS 24 'Related Party Disclosures', key Management personnel are those having authority and responsibility for planning, directing and controlling activities of the entity. Accordingly Board of Directors have been classified as Key management personnel of the Company.

(ii) Loans to Directors

No loans have been given to the Directors of the Company.

(iii) Key Management Personnel Compensation

Details of compensation are given in Note 7 to the Financial Statements.

(iv) Other Transactions with Key Management Personnel

Details of Director's shareholding are given on page 15 of this Annual Report.

There were no other transactions with Key Management Personnel other than those disclosed in Note 19 to these Financial Statements.

(c) Terms and Conditions of Transactions with Related Parties

Transactions with Related Parties are carried out in the ordinary course of business on an arm's length basis. Related Party balances at the year end are unsecured and repayable on demand. There were no Guarantees received from or given to Related Parties during the Financial year.

Notes to the Financial Statements

(d) Definition of Transaction with Related Parties

The Company carries out transactions in the ordinary course of business with parties who are defined as Related Parties as per Sri Lanka Accounting Standard - LKAS 24 Related Party Disclosures. The details of which are reported below.

Name of the Related Party	Names of Common Directors	Relationship	Nature of Transactions	Transaction Value			
				2021 Rs.'000	2020 Rs.'000		
Beruwala Resorts PLC	Mr.S.D.R.Arudpragasam Mr.S.Rajaratnam	Related (Common Director)	Purchase of shares	-	(506)		
			Sale of shares	-	26		
The Colombo Fort Land & Building PLC	Mr.A.Rajaratnam Mr.S.D.R.Arudpragasam Mr.A.M.de S.Jayaratne Mr.S.Rajaratnam	Related (Common Director)	Dividend paid	-	(874)		
			Interest income - AWPLR + 2%	-	3,943		
			Settlement of current account	1,000	17,150		
			Settlement of loan account	-	33,000		
			Purchase of shares	-	(50,000)		
Colombo Fort Investments PLC	Mr.A.Rajaratnam Mr.S.D.R.Arudpragasam Mr.S.Shanmugalingam Mr.A.M.de S.Jayaratne Mr.S.Rajaratnam Dr.J.M.Swaminathan	Related (Common Director)	Dividend income	-	3,276		
			Dividend paid	-	(2,160)		
			Purchase of shares	-	(3,276)		
			Sale of shares	-	5,928		
C M Holdings PLC	Mr.A.Rajaratnam Mr.S.D.R.Arudpragasam Mr.A.M.de S.Jayaratne Mr.S.Rajaratnam Dr.J.M.Swaminathan	Related (Common Director)	Dividend income	1,589	542		
			Purchase of shares	(24)	(1,817)		
C. W. Mackie PLC	Mr.S.D.R.Arudpragasam Mr.A.M.de S.Jayaratne	Related (Common Director)	Dividend income	-	38		
E. B. Creasy & Co. PLC	Mr.A.Rajaratnam Mr.S.D.R.Arudpragasam Mr.S.Rajaratnam Mr.A.M.de S.Jayaratne	Related (Common Director)	Dividend income	1,899	1,088		
			Purchase of shares	(96)	-		
Kotagala Plantations PLC	Mr.S.D.R.Arudpragasam Mr.A.M.de S.Jayaratne	Related (Common Director)	Sale of shares	569	-		
Laxapana Batteries PLC	Mr.S.D.R.Arudpragasam Mr.S.Rajaratnam	Related (Common Director)	Dividend income	305	65		
			Purchase of shares	(81)	-		
Lankem Developments PLC	Mr.S.D.R.Arudpragasam	Related (Common Director)	Purchase of shares	-	(36)		
Muller & Phipps (Ceylon)	Mr.S.D.R.Arudpragasam	Related (Common Director)	Sale of shares	-	365		

There were no Related Party Transactions other than those disclosed above and in Notes 10, 11 and 12 to the Financial Statements. Unless otherwise stated, the transactions were made under normal commercial terms.

The Related Party Transactions Review Committee has reviewed the transactions mentioned above.

(e) Recurrent and Non-Recurrent Related Party Transactions

During the year there were no Recurrent and Non-Recurrent transactions which exceeded the disclosure threshold mentioned in Section 9 of the Colombo Stock Exchange Rules.

Notes to the Financial Statements

20 Transaction with Managers and Secretaries

The Company's transactions with Corporate Managers & Secretaries (Pvt) Limited during the year were as follows.

For year ended 31st March	2021	2020
	Rs.'000	Rs.'000
Secretarial & Registrar's fees	960	882
Secondment of staff	900	722
Other expenses	87	127
Settlement of outstanding	(2,593)	(1,085)

All Secretarial and Accounting services are provided by Corporate Managers & Secretaries (Private) Limited.

21 Events after the Reporting Period

The Directors have recommended the payment of a First & Final dividend of Rs.1.20 per share in the form of a Scrip Dividend for the year ended 31st March 2021 to the ordinary shareholders which will be declared at the Annual General Meeting of the Company.

Other than the above there were no other events that occurred after the Reporting date which requires adjustments to or disclosure in the Financial Statements.

22 Financial Instruments

22.1 Financial Instruments - Statement of Financial Position

As at 31st March	2021	2020
	Rs.'000	Rs.'000
Financial Assets		
Financial Assets at fair value through Other Comprehensive Income		
Financial Assets including Derivatives - Non current	943,481	468,358
Financial Assets at fair value through profit or loss		
Financial Assets including Derivatives - Current	273,262	208,835
Total	1,216,743	677,193
Financial Assets at Amortised Cost		
Trade and Other Receivables	3,775	2,029
Amounts due from Related Companies	4,436	5,440
	8,211	7,469
Cash and Cash Equivalents	1,788	997
Total	9,999	8,466
Financial liabilities		
Other financial liabilities		
Interest bearing Borrowings	-	3,000
Other Payables	19,596	22,963
Dividend Payable	176	195
	19,772	26,158

Notes to the Financial Statements

22.2 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and investments.

Exposure to credit Risk

The carrying amount of financial assets represents the risk at maximum credit exposure. The maximum exposure to credit as at the reporting date was :

As at 31st March	2021	2020
	Rs.'000	Rs.'000
Trade and Other Receivables	3,775	2,029
Amounts due from Related Companies	4,436	5,440
Cash and Cash Equivalents	1,788	997
	9,999	8,466

Amounts due from Related Companies

These balances represent amount receivable on demand. At Company level these Related Party exposures are closely monitored to avoid any negative impact by way of credit risk. Management believes that there is no credit risk from the receivables from the Related Parties, except for the provisions made in the accounts.

Cash and cash equivalents

The Company limits its exposure to credit risk by investing only in liquid instruments with reputed banking Institutions. The Company also uses broad investment portfolios and limits investments with a single counterparty.

22.3 Impairment losses

The aging of trade and other receivables at the reporting date was as follows;

As at 31st March	2021		2020	
	Gross	Impairment	Gross	Impairment
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Not past due	3,775	-	2,029	-
Past due 0-31days	-	-	-	-
Past due 31-365 days	-	-	-	-
More than one year	-	-	-	-
	3,775	-	2,029	-

Based on historic default rates, the Company believes that, no impairment allowance is needed in respect of trade and other receivables.

Amounts due from Related Companies

Company establishes an allowance for impairment that represents its estimate of expected losses in respect of Amounts due from Related Companies

Notes to the Financial Statements

The aging of amounts due from Related Party as at the reporting date was

As at 31st March	2021		2020	
	Gross Impairment Rs.'000	Gross Impairment Rs.'000	Gross Rs.'000	Impairment Rs.'000
Not past due	-	-	-	-
Past due 0-31days	-	-	-	-
Past due 31-365 days	-	-	-	-
More than one year	4,502	(66)	5,503	(63)
	<u>4,502</u>	<u>(66)</u>	<u>5,503</u>	<u>(63)</u>

22.4 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company closely monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements.

Non-derivative financial liabilities

As at 31st March 2021	Carrying amount Rs.'000	Contractual cash flows Rs.'000	12 months or less Rs.'000	1 - 2 years Rs.'000	2 - 5 years Rs.'000
Interest bearing Borrowings	-	-	-	-	-
Trade and Other Payables	19,596	(19,596)	(19,596)	-	-
Dividend Payable	176	(176)	(176)	-	-
	<u>19,772</u>	<u>(19,772)</u>	<u>(19,772)</u>	<u>-</u>	<u>-</u>
As at 31st March 2020	Carrying amount Rs.'000	Contractual cash flows Rs.'000	12 months or less Rs.'000	1 - 2 years Rs.'000	2 - 5 years Rs.'000
Interest bearing Borrowings	3,000	(3,000)	(3,000)	-	-
Trade and Other Payables	22,963	(22,963)	(22,963)	-	-
Dividend Payable	195	(195)	(195)	-	-
	<u>26,158</u>	<u>(26,158)</u>	<u>(26,158)</u>	<u>-</u>	<u>-</u>

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at a significantly different amount.

Market Risk

Market risk is the risk that changes in market prices, such as interest rates, equity prices, foreign exchange rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Notes to the Financial Statements

22.5 Currency Risk

At the reporting date the company was not exposed to currency risk.

22.6 Interest Rate Risk

At the reporting date the exposure towards interest rate risk was as follows;

As at 31st March	2021	2020
	Rs. '000	Rs. '000
Fixed Rate Instruments		
Financial Liabilities	19,596	21,607
Variable Rate Instruments		
Financial Liabilities	-	(3,000)

Sensitivity analysis for variable rate instruments

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the profit before tax:

As At 31st March	2021	2020
	Rs.	Rs.
Variable rate instruments (1% decrease)	-	30,000
Variable rate instruments (1% increase)	-	(30,000)

22.7 Determination of Fair Value

This Note explains the methodology for valuing our financial assets and liabilities and provides an analysis of these according to a 'fair value hierarchy', determined by the market observability of valuation inputs.

22.7.1 Valuation Models

The Company measures fair values using the fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

The determination of fair value for financial assets and financial liabilities for which there is no observable market price requires the use of valuation techniques. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

22.7.2 Fair value Hierarchy

Assets and liabilities recorded at fair value in the Statement of Financial Position are measured and classified in accordance with a fair value hierarchy consisting of three "levels" based on the observability of inputs available in the market place used to measure the fair values as discussed below:

Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 : inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to the Financial Statements

22.7.3 Valuation methodologies of financial instruments measured at fair value

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the Statement of Financial Position.

	Level 1 Rs.'000	Level 2 Rs.'000	Level 3 Rs.'000	Total Rs.'000
31st March 2021				
Financial Assets at Fair Value through Other Comprehensive Income	942,797	-	684	943,481
Financial Assets at Fair Value through Profit or Loss	273,255	-	7	273,262
	<u>1,216,052</u>	<u>-</u>	<u>691</u>	<u>1,216,743</u>
31st March 2020				
Financial Assets at Fair Value through Other Comprehensive Income	467,652	-	706	468,358
Financial Assets at Fair Value through Profit or Loss	208,828	-	7	208,835
	<u>676,480</u>	<u>-</u>	<u>713</u>	<u>677,193</u>

Reconciliation of fair value measurements of level 3 financial instruments

The Company carries unquoted equity shares are classified as Level 3 within the fair value hierarchy. A reconciliation of the beginning and closing balances including movements is summarised below:

	Level 3 FVOCI Rs.'000
As at 1st April 2020	706
Remeasurement recognised in OCI	(22)
As at 31st March 2021	<u>684</u>

Following valuation technique was used by the Company in measuring Level 3 fair values, and the significant unobservable inputs used for the valuation.

Category	Valuation technique	Significant unobservable inputs	Sensitivity of the input to the fair value
Unquoted equity securities	Net assets basis	Carrying value of assets and liabilities adjusted for market participant assumptions.	Variability of inputs are insignificant to have an impact on fair values.
		Net Assets price is Rs. 18.09 per share.	

Notes to the Financial Statements

22.7.4 Fair values of Financial Assets and Liabilities not carried at fair value

Set out below is a comparison of the carrying amounts and fair values of the financial assets and liabilities of the Company which are not measured at fair value in the Financial Statements.

As at 31st March		Explanatory reference	2021		2020	
			Fair Value	Carrying Value	Fair Value	Carrying Value
Loans and Receivable						
		a	3,775	3,775	2,029	2,029
			1,788	1,788	997	997
Financial Liabilities						
		b	-	-	3,000	3,000
			19,596	19,596	22,963	22,963
			176	176	195	195

- a The carrying values of trade and other receivables have been considered as the fair value due to uncertainty of the timing of the cash flows.

The carrying amount of cash and bank balances are approximate fair values due to the relatively short maturity of the financial instruments.

- b Carrying values of financial liabilities have been considered as the fair value, due to uncertainty of the timing of the cash flow.

Financial Summary

Year ended 31st March	2021	2020	2019	2018	2017
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Trading Results					
Revenue	17,116	18,967	22,732	26,547	30,481
Profit/(Loss) from operations	77,006	10,657	(29,910)	21,594	(4,756)
Net Finance Income/(Expense)	(2,638)	538	227	290	(400)
Profit/(Loss) before tax	74,368	11,195	(29,683)	21,884	(5,156)
Income Tax Expense	-	-	-	(679)	(439)
Profit/(Loss) for the year	74,368	11,195	(29,683)	21,205	(5,595)
As at 31st March					
	2021	2020	2019	2018	2017
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Equity					
Stated Capital	187,431	187,431	179,373	171,467	163,667
Retained Earnings	284,757	210,614	206,398	244,028	230,623
FVOCI Reserve/AFS Reserve	734,378	260,073	557,973	734,995	749,922
	1,206,566	658,118	943,744	1,150,490	1,144,212
Assets Less Liabilities					
Current and Non-Current Assets	1,226,751	685,668	973,520	1,188,659	1,165,022
Current and Non-Current Liabilities	(20,185)	(27,550)	(29,776)	(38,169)	(20,810)
Net Assets	1,206,566	658,118	943,744	1,150,490	1,144,212
Financial Statistics					
Earnings/(Loss) per share	10.87	1.64	(4.34)	3.16	(0.85)
Net Assets per share	176.32	96.17	137.91	171.33	173.66
Market Price per share	99.50	61.00	60.00	80.00	80.00
Price Earnings ratio	9.15	37.20	(13.82)	25.32	(94.12)
Dividend Proposed per share	1.20	-	1.20	1.20	1.20
Dividend pay out ratio	0.11	-	(0.28)	0.38	(1.41)

Information to Shareholders and Investors

DISTRIBUTION OF SHAREHOLDINGS

Shareholdings	31st March 2021			31st March 2020		
	No.of Share Holders	Total Share Holdings	%	No.of Share Holders	Total Share Holdings	%
1 - 1,000	480	62,117	0.91	468	64,685	0.95
1,001 - 10,000	60	155,014	2.26	56	133,173	1.94
10,001 - 100,000	12	386,299	5.65	15	433,135	6.33
100,001 - 1,000,000	3	1,859,899	27.18	3	1,857,946	27.15
Over - 1,000,000	2	4,379,715	64.00	2	4,354,105	63.63
Total	557	6,843,044	100.00	544	6,843,044	100.00

Categories of Shareholders	31st March 2021			31st March 2020		
	No.of Share Holders	Total Share Holdings	%	No.of Share Holders	Total Share Holdings	%
Individuals	507	299,968	4.38	488	299,498	4.38
Institutions	50	6,543,076	95.62	56	6,543,546	95.62
Total	557	6,843,044	100.00	544	6,843,044	100.00

Public Holding

The percentage of the Issued Share Capital held by the public as at 31st March, 2021 was 10.01%. (31.03.2020 - 10.34%)

The applicable option under Colombo Stock Exchange Rule 7.13.1 on Minimum Public Holding is Option 2 and the Float adjusted Market Capitalisation as at 31st March 2021 was Rs. 68.16 Million.

Public Shareholders

The number of public shareholders as at 31st March, 2021 was 540.

Market Performance - Ordinary Shares

	2021 Rs.	2020 Rs.
Highest Price during the year	220.00	97.00
Lowest Price during the year	50.00	50.00
Market Value as at the year end	99.50	61.00

Information to Shareholders and Investors

TWENTY MAJOR SHAREHOLDERS OF THE COMPANY

	31st March 2021		31st March 2020	
	Shares	%	Shares	%
Financial Trust Limited	2,597,290	37.96	2,571,680	37.58
Colombo Fort Investments PLC	1,782,425	26.05	1,782,425	26.05
Property & Investment Holdings (Private) Limited	979,796	14.32	979,796	14.32
The Colombo Fort Land & Building PLC	740,878	10.83	742,328	10.85
DFCC Bank PLC/ Dr. Mrs. G. A. C. De Silva	139,225	2.03	135,822	1.98
People's Leasing & Finance PLC/ Dr.H. S. D.Soyas & Mrs.G.Soyas	71,685	1.05	71,685	1.05
Tranz Dominion, L. L. C.	64,170	0.94	64,170	0.94
Mrs. M. L. De Silva	60,350	0.88	60,350	0.88
People's Leasing & Finance PLC/Mr. M. A. N. Yoosufali	43,000	0.63	45,820	0.67
Trust Holdings & Investments (Pvt) Limited	40,871	0.60	40,871	0.60
Commercial Bank of Ceylon PLC/ N.H.Dawoodbhoy and Company (Private)Limited	25,000	0.37	25,897	0.38
Miss.G.I.A.De Silva	20,403	0.30	20,403	0.30
Hatton National Bank PLC/Mr. R. Jafferjee	-	-	18,099	0.26
Mr. G. J. W. De Silva	13,927	0.20	13,927	0.20
Miss G. N. A. De Silva	13,927	0.20	13,927	0.20
Mr. R. Serasinghe	-	-	13,761	0.20
Glenford Investments (Pvt) Limited	11,484	0.17	11,484	0.17
Mrs.N.Gunatilleke/Miss. N. Gunatilleke	11,070	0.16	11,070	0.16
Dr. H. W. E. Tissera	10,412	0.15	10,092	0.15
Shalsri Investments (Private) Limited	9,779	0.14	11,579	0.17
Mr. S. Paramanathan	9,100	0.13	-	-
The Ceylon Muslim scholarshipfund	7,822	0.11	-	-
	6,652,614	97.22	6,645,186	97.11

Financial Statistics

	2021 Rs.	2020 Rs.
Earnings/(Loss) per share	10.87	1.64
Net Assets per share	176.32	96.17
Dividend Proposed per share	1.20	-
Dividend pay out ratio	0.11	-

Form of Proxy

I/We the undersignedof

being a member/members of Colombo Investment Trust PLC, do hereby appoint :

.....of..... whom failing

Alagarajah Rajaratnam	of Colombo whom failing
Sri Dhaman Rajendram Arudpragasam	of Colombo whom failing
Sriskandamoorthy Shanmugalingam	of Colombo whom failing
Ajit Mahendra de Silva Jayaratne	of Colombo whom failing
Sanjeev Rajaratnam	of Colombo whom failing
Jayanta Mootatamby Swaminathan	of Colombo

as my/our Proxy to represent me/us to speak and to vote on my/our behalf at the Annual General Meeting of the Company to be held on 19th August 2021, and at any adjournment thereof and at every poll which may be taken in consequence thereof. I/We the undersigned hereby authorise my/our proxy to vote on my/our behalf in accordance with the preferences indicated below:

RESOLUTIONS								
Resolution Numbers as set out in the Notice convening the Meeting	1	2	3	4	5	6	7	8
For								
Against								

As witness, my / our * hands this.....day of2021.

.....
Signature of Shareholder

Notes :

Please indicate with an X in the space provided how your proxy is to vote. If there is in the view of the proxy holder doubt (by reason of the way in which the instructions contained in the proxy have been completed) as to the way in which the Proxy holder should vote, the Proxy holder shall vote as he thinks fit.

A Proxy holder need not be a member of the Company.

Instructions as to completion appear on the reverse hereof.

Instructions as to Completion

- 1 To be valid the completed Form of Proxy must be deposited at the Registered Office of the Company at No 8-5/2, Leyden Bastian Road, York Arcade Building, Colombo 01 not less than 48 hours before the time appointed for the holding of the Meeting.
- 2 The Instrument appointing a proxy shall in the case of an individual be signed by the appointor or by his Attorney and in the case of a Company/Corporation the Proxy Form must be executed under its Common Seal, which should be affixed and attested in the manner prescribed by its Articles of Association or other constitutional document.
- 3 If the Proxy Form is signed by an Attorney, the relevant Power of Attorney or a notarially certified copy thereof, should also accompany the completed Form of Proxy if it has not already been registered with the Company.
- 4 The Full name and address of the Proxy and of the shareholder appointing the Proxy should be entered legibly in the Form of Proxy. Please sign in the space provided and fill in the date of signature.

Corporate Information

Name of the Company

Colombo Investment Trust PLC

Legal Form

A Public Quoted Company with Limited Liability Incorporated in Sri Lanka on 14th July 1986 under the Companies Act No. 17 of 1982 and re-registered under the Companies Act No. 7 of 2007 on 19th November 2007.

Company No.

PQ 85

Stock Exchange Listing

The Ordinary Shares of the Company which were listed on the Main Board of the Colombo Stock Exchange has been transferred to the Diri Savi Board w.e.f. 4th January 2016

Registered Office

8-5/2, Leyden Bastian Road,

York Arcade Building,

Colombo - 1.

☎ 0112344485 - 9

Board of Directors

A.Rajaratnam FCA [Chairman]

(Alternate, Anushman Rajaratnam)

S.D.R.Arudpragasam FCMA (UK) [Deputy Chairman]

S.Shanmugalingam

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

S.Rajaratnam B.Sc., CA

J.M.Swaminathan Attorney-at-Law, LLB (Ceylon), LL.M, M. Phil (Colombo), Hon. LLD (Colombo)

Secretaries

Corporate Managers & Secretaries (Pvt) Limited

8-5/2, Leyden Bastian Road,

York Arcade Building,

Colombo - 1.

☎ 0112344485 - 9

Auditors

Messrs. KPMG

Chartered Accountants

P O Box 186

Colombo.

Lawyers

Messrs. Julius & Creasy

Attorneys-at-Law,

Solicitors & Notaries Public,

P O Box 154,

Colombo.

Bankers

Commercial Bank of Ceylon PLC

Colombo Investment Trust PLC
8-5/2, Leyden Bastian Road,
York Arcade Building,
Colombo 1.