

# **DIPPED PRODUCTS PLC**

INTERIM REPORT FOR THE SIX MONTHS ENDED 30TH SEPTEMBER 2013

# CORPORATE INFORMATION

## LEGAL FORM

A Public Limited Company  
Incorporated in Sri Lanka in 1976

## COMPANY NUMBER

PQ60

## DIRECTORS

A.M. Pandithage – *Chairman*  
Dr. K .I. M. Ranasoma - *Managing Director*  
N.Y. Fernando  
R. Seevaratnam (ceased to be Director w.e.f 30.07.2013)  
F. Mohideen  
K.A.L.S. Fernando  
L.G.S.Gunawardena  
S.C.Ganegoda  
K.D.D.Perera  
M. Bottino  
R.M.T.Premarathna  
V.R.Gunasekara  
S. Rajapakse (appointed as Director w.e.f. 30.07.2013)

## SUBSIDIARIES

### Hand Protection

Palma Limited  
Grossart (Private) Limited  
Venigros (Private) Limited  
Neoprex (Private) Limited  
Texnil (Private) Limited  
Feltex (Private) Limited  
Dipped Products (Thailand) Limited  
ICOGUANTI S.p.A  
Hanwella Rubber Products Limited

### Plantations

DPL Plantations (Private) Limited  
Kelani Valley Plantations PLC  
Kalupahana Power Company (Private) Limited  
Kelani Valley Instant Tea (Private) Limited  
Mabroc Teas (Private) Limited  
Hayleys Plantation Services (Private) Limited  
Talawakelle Tea Estates PLC  
TTEL Hydro Power Company (Private) Limited  
TTEL Somerset Hydro Power (Private) Limited

## SECRETARIES

Hayleys Group Services (Private) Limited  
400, Deans Road, Colombo 10, Sri Lanka  
Telephone: 2627650-6 (7 Lines)  
Fax: 2627645  
E-mail: info.sec@hayleys.com

## STOCK EXCHANGE LISTING

The ordinary shares of the Company are listed with the Colombo Stock Exchange of Sri Lanka

## REGISTERED OFFICE

400, Deans Road, Colombo 10, Sri Lanka  
Telephone: 2683964-7 (4 Lines), 2698354  
Fax: 2699018 & 2699299  
E-mail: postmast@dplgroup.com  
Website: www.dplgroup.com

## PRINCIPAL LINES OF BUSINESS

Manufacture and marketing of industrial, general purpose and medical rubber gloves, Management of tea and rubber plantations.

## DIPPED PRODUCTS PLC

## INCOME STATEMENTS

Group		Group			Group		
Audited year to 31.03.2013 Rs.'000		Unaudited 06 months to 30.09.2013 Rs.'000	(Restated) Unaudited 06 months to 30.09.2012 Rs.'000	Increase/ (Decrease) %	Unaudited 03 months to 30.09.2013 Rs.'000	(Restated) Unaudited 03 months to 30.09.2012 Rs.'000	Increase/ (Decrease) %
23,657,743	<b>Revenue</b>	<b>11,910,358</b>	11,548,517	3	<b>5,581,355</b>	5,944,555	(6)
(19,079,931)	Cost of sales	<b>(9,797,980)</b>	(9,335,250)	5	<b>(4,707,092)</b>	(4,766,754)	(1)
4,577,812	Gross profit	<b>2,112,378</b>	2,213,267	(5)	<b>874,263</b>	1,177,801	(26)
126,808	Other income and gains	<b>36,963</b>	18,588	99	<b>22,426</b>	9,502	136
(489,042)	Distribution costs	<b>(282,349)</b>	(247,646)	14	<b>(155,603)</b>	(127,914)	22
(1,777,854)	Administrative expenses	<b>(979,921)</b>	(863,119)	14	<b>(495,693)</b>	(439,675)	13
(21,350)	Other expenses	<b>(7,545)</b>	(10,652)	(29)	<b>(4,519)</b>	(2,947)	53
(348,097)	Finance Cost	<b>(152,513)</b>	(206,362)	(26)	<b>(84,107)</b>	(119,749)	(30)
106,939	Finance Income	<b>109,523</b>	62,548	75	<b>39,317</b>	16,679	136
2,175,216	<b>Profit before tax</b>	<b>836,536</b>	966,624	(13)	<b>196,084</b>	513,697	(62)
(390,943)	Tax expense	<b>(197,851)</b>	(202,516)	(2)	<b>(87,740)</b>	(128,778)	(32)
<b>1,784,273</b>	<b>Profit for the period</b>	<b>638,685</b>	764,108	(16)	<b>108,344</b>	384,919	(72)
	<b>Attributable to :</b>						
1,417,888	Equity holders of the Parent	<b>483,479</b>	633,787	(24)	<b>69,603</b>	312,704	(78)
366,385	Non-controlling interest	<b>155,206</b>	130,321	19	<b>38,741</b>	72,215	(46)
<b>1,784,273</b>	<b>Profit for the period</b>	<b>638,685</b>	764,108	(16)	<b>108,344</b>	384,919	(72)
	Earnings per share						
23.69	for the period (Rs.) * - Basic	<b>8.08</b>	10.59		<b>1.16</b>	5.22	
23.69	for the period (Rs.) * - Diluted	<b>8.08</b>	10.59		<b>1.16</b>	5.22	
7.00	Dividend per share (Rs)	-	-		-	-	

\*Computed based on 59,861,512 ordinary shares on issue as at September 30, 2013.

The notes to the financial statements on pages from 9 to 15 form an integral part of the financial statements.

*The figures in brackets indicate deductions*

## DIPPED PRODUCTS PLC

## INCOME STATEMENTS

Company	Company			Company			
	Unaudited 06 months to 30.09.2013 Rs.'000	(Restated) Unaudited 06 months to 30.09.2012 Rs.'000	Increase/ (Decrease) %	Unaudited 03 months to 30.09.2013 Rs.'000	(Restated) Unaudited 03 months to 30.09.2012 Rs.'000	Increase/ (Decrease) %	
Audited year to 31.03.2013 Rs.'000							
2,018,710	<b>Revenue</b>	<b>1,067,543</b>	1,008,076	6	<b>572,933</b>	560,350	2
(1,524,208)	Cost of sales	<b>(837,589)</b>	(739,032)	13	<b>(446,597)</b>	(402,584)	11
494,502	Gross profit	<b>229,954</b>	269,044	(15)	<b>126,336</b>	157,766	(20)
592,994	Other income and gains	<b>5,586</b>	5,586	-	<b>2,793</b>	2,793	-
(15,502)	Distribution costs	<b>(27,076)</b>	(26,658)	2	<b>(18,772)</b>	(18,835)	(0)
(304,665)	Administrative expenses	<b>(183,354)</b>	(156,201)	17	<b>(96,206)</b>	(77,821)	24
(16,075)	Other expenses	<b>(6,358)</b>	(7,624)	(17)	<b>(3,745)</b>	(880)	326
(28,422)	Finance Cost	<b>(6,570)</b>	(14,596)	(55)	<b>(3,138)</b>	(2,658)	18
60,542	Finance Income	<b>9,391</b>	140,477	(93)	<b>2,064</b>	122,979	(98)
783,374	<b>Profit before tax</b>	<b>21,573</b>	210,028	(90)	<b>9,332</b>	183,344	(95)
(29,537)	Tax expense	<b>(4,354)</b>	(12,124)	(64)	<b>(2,244)</b>	(14,351)	(84)
753,837	<b>Profit for the period</b>	<b>17,219</b>	197,904	(91)	<b>7,088</b>	168,993	(96)
12.59	Earnings per share for the period (Rs.) * - Basic	<b>0.29</b>	3.31		<b>0.12</b>	2.82	
12.59	Earnings per share for the period (Rs.) * - Diluted	<b>0.29</b>	3.31		<b>0.12</b>	2.82	
7.00	Dividend per share (Rs)	-	-		-	-	

\*Computed based on 59,861,512 ordinary shares on issue as at September 30, 2013.

The notes to the financial statements on pages from 9 to 15 form an integral part of the financial statements.

The figures in brackets indicate deductions

**DIPPED PRODUCTS PLC**  
**STATEMENT OF COMPREHENSIVE INCOME**

<b>Group</b>		<b>Group</b>		<b>Group</b>	
Audited year to 31.03.2013 Rs.'000		<b>Unaudited</b> <b>06 months to</b> <b>30.09.2013</b> <b>Rs.'000</b>	Unaudited 06 months to 30.09.2012 Rs.'000	<b>Unaudited</b> <b>03 months to</b> <b>30.09.2013</b> <b>Rs.'000</b>	Unaudited 03 months to 30.09.2012 Rs.'000
1,784,273	<b>Profit for the period</b>	<b>638,685</b>	764,108	<b>108,344</b>	384,919
	<i>Other Comprehensive Income</i>				
190,398	Net exchange differences on translation of foreign operations	<b>16,100</b>	181,031	<b>(1,026)</b>	(739)
(3)	Net loss on available for sale financial assets	<b>(3)</b>	(2)	<b>(4)</b>	-
69,591	Revaluation of Land	-	-	-	-
259,986	<b>Other comprehensive income for the period, net of tax</b>	<b>16,097</b>	181,029	<b>(1,030)</b>	(739)
	<b>Attributable to :</b>				
1,643,574	Equity holders of the parent	<b>494,640</b>	777,916	<b>52,388</b>	315,804
400,685	Non-controlling interest	<b>160,142</b>	167,221	<b>54,926</b>	68,376
2,044,259	<b>Total comprehensive income for the period, net of tax</b>	<b>654,782</b>	945,137	<b>107,314</b>	384,180

The notes to the financial statements on pages from 9 to 15 form an integral part of the financial statements.

*The figures in brackets indicate deductions*

## DIPPED PRODUCTS PLC

## STATEMENT OF COMPREHENSIVE INCOME

<b>Company</b>	<b>Company</b>		<b>Company</b>		
	<b>Unaudited</b> <b>06 months to</b> <b>30.09.2013</b> <b>Rs.'000</b>	<b>Unaudited</b> <b>06 months to</b> <b>30.09.2012</b> <b>Rs.'000</b>	<b>Unaudited</b> <b>03 months to</b> <b>30.09.2013</b> <b>Rs.'000</b>	<b>Unaudited</b> <b>03 months to</b> <b>30.09.2012</b> <b>Rs.'000</b>	
Audited year to 31.03.2013 Rs.'000					
753,837	<b>Profit for the period</b>	<b>17,219</b>	197,904	<b>7,088</b>	168,993
45,297	<i>Other Comprehensive Income</i> Revaluation of Land	-	-	-	-
45,297	<b>Other comprehensive income for the period, net of tax</b>	-	-	-	-
799,134	<b>Total comprehensive income for the period, net of tax</b>	<b>17,219</b>	197,904	<b>7,088</b>	168,993

The notes to the financial statements on pages from 9 to 15 form an integral part of the financial statements.

*The figures in brackets indicate deductions*

**DIPPED PRODUCTS PLC**  
**STATEMENTS OF FINANCIAL POSITION**

<b>Group</b>		<b>Company</b>		<b>Group</b>		<b>Company</b>	
Audited	Audited			Unaudited	(Restated) Unaudited	Unaudited	(Restated) Unaudited
As at	As at			As at	As at	As at	As at
31.03.2013	31.03.2013			30.09.2013	30.09.2012	30.09.2013	30.09.2012
Rs.'000	Rs.'000			Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>ASSETS</b>							
<b>Non-current assets</b>							
<b>Tangible assets</b>							
10,119,322	478,171	Property, plant and equipment		<b>10,193,016</b>	9,755,675	<b>511,055</b>	373,742
190,647	55,934	Formers (moulds)		<b>184,601</b>	187,097	<b>61,302</b>	44,091
221,896	221,896	Investment Property		<b>219,228</b>	225,664	<b>219,228</b>	225,664
235,021	-	Biological assets		<b>235,131</b>	192,113	-	-
178,611	-	Intangible assets		<b>177,542</b>	179,714	-	-
-	2,352,684	Investment in subsidiaries		-	-	<b>2,352,684</b>	2,347,360
22	-	Other non-current financial assets		<b>19</b>	1,298	-	-
20,647	20,360	Deferred tax assets		<b>19,434</b>	21,102	<b>19,147</b>	23,001
<b>10,966,166</b>	<b>3,129,045</b>	<b>Total non-current assets</b>		<b>11,028,971</b>	10,562,663	<b>3,163,416</b>	3,013,858
<b>Current assets</b>							
3,267,185	372,090	Inventories		<b>3,367,513</b>	3,086,087	<b>542,163</b>	256,041
4,162,919	308,031	Trade and other receivables		<b>4,074,310</b>	4,983,975	<b>437,859</b>	203,501
359,767	58,434	Advances and prepayments		<b>313,579</b>	586,560	<b>136,794</b>	155,853
-	324,823	Amounts due from related parties		-	-	<b>555,330</b>	254,076
6,137	-	Other current financial assets		-	11,441	-	-
746,381	92,569	Cash and short term deposits		<b>736,963</b>	821,443	<b>90,592</b>	367,883
<b>8,542,389</b>	<b>1,155,948</b>	<b>Total current assets</b>		<b>8,492,365</b>	9,489,506	<b>1,762,738</b>	1,237,354
<b>19,508,555</b>	<b>4,284,993</b>	<b>Total assets</b>		<b>19,521,336</b>	20,052,169	<b>4,926,154</b>	4,251,212
<b>EQUITY AND LIABILITIES</b>							
<b>Equity</b>							
598,615	598,615	Stated capital	3	<b>598,615</b>	598,615	<b>598,615</b>	598,615
452,878	179,085	Capital reserves		<b>457,251</b>	383,287	<b>179,085</b>	133,788
14	-	Available-for-sale (AFS) reserve		<b>12</b>	15	-	-
5,793,215	2,291,824	Revenue reserves		<b>6,103,899</b>	5,242,519	<b>2,129,458</b>	1,963,598
6,844,722	3,069,524	<b>Equity attributable to equity holders of the parent</b>		<b>7,159,777</b>	6,224,436	<b>2,907,158</b>	2,696,001
2,068,640	-	<b>Non-controlling interest</b>		<b>2,151,190</b>	1,856,561	-	-
8,913,362	3,069,524	<b>Total equity</b>		<b>9,310,967</b>	8,080,997	<b>2,907,158</b>	2,696,001
<b>Liabilities</b>							
<b>Non-current liabilities</b>							
1,642,681	-	Interest-bearing loans and borrowings		<b>1,509,807</b>	1,909,858	-	-
699,054	-	Deferred revenue		<b>684,673</b>	706,729	-	-
2,324,356	290,448	Defined benefit obligations		<b>2,425,479</b>	2,279,372	<b>303,673</b>	275,197
52,900	-	Agents' indemnity fund		<b>56,111</b>	50,840	-	-
370,723	-	Deferred tax liabilities		<b>403,271</b>	333,141	-	-
<b>5,089,714</b>	<b>290,448</b>	<b>Total non-current liabilities</b>		<b>5,079,341</b>	5,279,940	<b>303,673</b>	275,197
<b>Current liabilities</b>							
2,725,100	260,431	Trade and other payables		<b>2,646,453</b>	3,170,330	<b>331,939</b>	346,851
2,686,940	320,792	Interest-bearing loans and borrowings		<b>2,422,511</b>	3,380,935	<b>264,793</b>	402,950
-	-	Other current financial liabilities		-	-	-	-
8,666	316,696	Amounts due to related parties		<b>13,026</b>	20,568	<b>1,118,591</b>	510,330
84,773	27,102	Income tax payable		<b>49,038</b>	119,399	-	19,883
<b>5,505,479</b>	<b>925,021</b>	<b>Total current liabilities</b>		<b>5,131,028</b>	6,691,232	<b>1,715,323</b>	1,280,014
<b>19,508,555</b>	<b>4,284,993</b>	<b>Total equity and liabilities</b>		<b>19,521,336</b>	20,052,169	<b>4,926,154</b>	4,251,212

The notes to the financial statements on pages from 9 to 15 form an integral part of the financial statements.

The Financial Position as at September 30, 2013, and Income Statements, Statement of Changes in Equity and Statements of Cash Flow for the six months then ended are drawn up from the unaudited financial statements of the Company and its subsidiaries and provide the information required by the Colombo Stock Exchange.

It is certified that the interim financial statements have been prepared in compliance with the requirements of the Companies Act No.7 of 2007.

sgd.  
N.A.R.R.S. Nanayakkara  
General Manager Finance  
Signed on behalf of the Board

sgd.  
A.M.Pandithage  
Chairman  
28-10-2013

sgd.  
Dr. K.I.M. Ranasoma  
Managing Director

**DIPPED PRODUCTS PLC**  
**STATEMENTS OF CHANGES IN EQUITY**

Group  
For the period ended September 30, 2013

	-----Attributable to equity holders of the Company-----										Non- controlling Interest	Total Equity	
	Stated Capital	-----Capital Reserves-----			Other Components of Equity	-----Revenue Reserves-----				Total			
		Reserve on scrip Issue	Revaluation Reserve	Other Capital Reserve		Available-for- sale Reserve	General Reserve	Timber Reserve	Retained Earnings				Exchange Fluctuation Reserve
		Rs'000	Rs'000	Rs'000		Rs'000	Rs'000	Rs'000	Rs'000				Rs'000
Balance as at April 1, 2013	598,615	167,409	259,108	26,361	14	1,169,700	47,231	4,329,150	247,134	6,844,722	2,068,640	8,913,362	
Profit for the period	-	-	-	-	-	-	-	483,479	-	483,479	155,206	638,685	
Other comprehensive income	-	-	-	-	(2)	-	-	-	11,163	11,161	4,936	16,097	
Transfers / adjustments	-	-	-	4,373	-	-	-	(4,373)	-	-	-	-	
Dividends	-	-	-	-	-	-	-	(179,585)	-	(179,585)	(77,592)	(257,177)	
<b>Balance as at September 30, 2013</b>	<b>598,615</b>	<b>167,409</b>	<b>259,108</b>	<b>30,734</b>	<b>12</b>	<b>1,169,700</b>	<b>47,231</b>	<b>4,628,671</b>	<b>258,297</b>	<b>7,159,777</b>	<b>2,151,190</b>	<b>9,310,967</b>	
<b>For the period ended September 30, 2012</b>													
Balance as at April 1, 2012	598,615	25,384	189,517	21,935	16	927,688	29,845	3,917,122	90,928	5,801,050	1,750,495	7,551,545	
Profit for the period	-	-	-	-	-	-	-	633,787	-	633,787	130,321	764,108	
Other comprehensive income	-	-	-	-	(1)	-	-	-	144,130	144,129	36,900	181,029	
Transfers / adjustments	-	142,025	-	4,426	-	-	-	(142,062)	250	4,639	(4,639)	-	
Dividends	-	-	-	-	-	-	-	(359,169)	-	(359,169)	(56,516)	(415,685)	
<b>Balance as at September 30, 2012</b>	<b>598,615</b>	<b>167,409</b>	<b>189,517</b>	<b>26,361</b>	<b>15</b>	<b>927,688</b>	<b>29,845</b>	<b>4,049,678</b>	<b>235,308</b>	<b>6,224,436</b>	<b>1,856,561</b>	<b>8,080,997</b>	
<b>Company</b>													
<b>For the period ended September 30, 2013</b>													
	Stated Capital	-----Capital Reserves-----		--Revenue Reserves--	Total								
		Revaluation Reserve	Other Capital Reserve										
		Rs'000	Rs'000										
	Rs'000	Rs'000	Rs'000	Rs'000									
Balance as at April 1, 2013	598,615	178,905	180	2,291,824	3,069,524								
Profit for the period	-	-	-	17,219	17,219								
Dividends	-	-	-	(179,585)	(179,585)								
<b>Balance as at September 30, 2013</b>	<b>598,615</b>	<b>178,905</b>	<b>180</b>	<b>2,129,458</b>	<b>2,907,158</b>								
<b>For the period ended September 30, 2012</b>													
Balance as at April 1, 2012	598,615	133,608	180	2,124,863	2,857,266								
Profit for the period	-	-	-	197,904	197,904								
Dividends	-	-	-	(359,169)	(359,169)								
<b>Balance as at September 30, 2012</b>	<b>598,615</b>	<b>133,608</b>	<b>180</b>	<b>1,963,598</b>	<b>2,696,001</b>								

The notes to the financial statements on pages from 9 to 15 form an integral part of the financial statements.  
The figures in brackets indicate deductions.

## DIPPED PRODUCTS PLC STATEMENTS OF CASH FLOWS

<u>Group</u>		<u>Company</u>		<u>Group</u>		<u>Company</u>	
Audited year to 31.03.2013 Rs.'000	Audited year to 31.03.2013 Rs.'000			Unaudited 06 months to 30.09.2013 Rs.'000	(Restated) Unaudited 06 months to 30.09.2012 Rs.'000	Unaudited 06 months to 30.09.2013 Rs.'000	(Restated) Unaudited 06 months to 30.09.2012 Rs.'000
<b>Cash flows from operating activities</b>							
3,632,169	172,828	Cash generated from operations (Note A)		<b>1,443,673</b>	1,592,816	<b>347,557</b>	417,526
(348,097)	(28,422)	Interest paid		<b>(134,523)</b>	(181,507)	<b>(6,570)</b>	(14,596)
(328,216)	(14,903)	Taxes paid		<b>(156,965)</b>	(108,683)	<b>(36,709)</b>	(7,351)
(219,532)	(27,102)	Retiring gratuity paid		<b>(158,846)</b>	(103,644)	<b>(14,455)</b>	(13,632)
(518)	-	Agents' indemnity paid		-	(228)	-	-
<u>2,735,806</u>	<u>102,401</u>	Net cash flow from operating activities		<u><b>993,339</b></u>	<u>1,198,754</u>	<u><b>289,823</b></u>	<u>381,947</u>
<b>Cash flows from investing activities</b>							
(1,022,154)	(95,540)	Purchase & construction of property, plant and equipment		<b>(400,162)</b>	(418,968)	<b>(53,715)</b>	(8,658)
(34,160)	(16,792)	Purchase of Formers		<b>(9,330)</b>	(15,394)	<b>(8,041)</b>	(2,126)
-	-	Purchase of intangible assets		<b>(525)</b>	-	-	-
32,808	-	Grants received		<b>3,442</b>	11,948	-	-
45,069	8,909	Proceeds from disposal of property, plant and equipment		-	6,900	-	-
(11,737)	-	Development cost incurred on biological assets		<b>(110)</b>	-	-	-
-	(338,784)	Investments in group companies		-	-	-	(252,504)
94,968	52,189	Interest received		<b>35,973</b>	40,253	<b>5,515</b>	25,855
-	581,344	Dividend received from associate / subsidiary companies		-	-	-	104,234
(89,281)	-	Net payments to non-controlling interest		<b>(77,592)</b>	(56,516)	-	-
<u>(984,487)</u>	<u>191,326</u>	Net cash flows from investing activities		<u><b>(448,304)</b></u>	<u>(431,777)</u>	<u><b>(56,241)</b></u>	<u>(133,199)</u>
<b>Cash flows from financing activities</b>							
17,171	-	Long term loans obtained		-	12,791	-	-
(329,768)	-	Repayment of long term loans		<b>(107,340)</b>	(163,826)	-	-
(2,662)	-	Capital payment on finance lease		<b>(3,603)</b>	(4,227)	-	-
(597,102)	(597,102)	Dividend paid		<b>(179,560)</b>	(358,967)	<b>(179,560)</b>	(358,967)
(912,361)	(597,102)	Net cash flows from financing activities		<b>(290,503)</b>	(514,229)	<b>(179,560)</b>	(358,967)
838,958	(303,375)	Net increase / (decrease ) in cash & cash equivalents		<b>254,532</b>	252,748	<b>54,022</b>	(110,219)
(2,442,978)	75,152	Cash & cash equivalents at beginning of the period		<b>(1,604,020)</b>	(2,534,220)	<b>(228,223)</b>	75,152
<u>(1,604,020)</u>	<u>(228,223)</u>	<b>Cash &amp; cash equivalents at end of the period (Note B)</b>		<u><b>(1,349,488)</b></u>	<u>(2,281,472)</u>	<u><b>(174,201)</b></u>	<u>(35,067)</u>
<b>A</b>	<b>Cash generated from operations</b>						
2,175,216	783,374	<b>Profit before tax</b>		<b>836,536</b>	966,624	<b>21,573</b>	210,028
<b>Adjustments for</b>							
348,097	28,422	Interest cost		<b>134,523</b>	184,532	<b>6,570</b>	11,842
(31,171)	-	Gain on fair value change in biological assets		-	-	-	-
628,747	38,636	Depreciation on property, plant and equipment		<b>319,078</b>	314,399	<b>20,831</b>	19,318
5,335	5,335	Depreciation on investment property		<b>2,668</b>	2,667	<b>2,668</b>	2,667
32,244	5,139	Impairment of formers		<b>15,376</b>	17,028	<b>2,673</b>	2,316
2,697	-	Amortisation of intangible assets		<b>1,594</b>	1,595	-	-
(4,049)	-	Net (gain)/loss on other current financial assets and liabilities		<b>6,137</b>	(9,215)	-	-
(30,722)	(478)	(Gain)/loss on disposal of property, plant and equipment		-	(5,799)	-	-
(37,123)	-	Amortisation of grants		<b>(17,823)</b>	(8,588)	-	-
(79,061)	102	Provision for / (reversal of) bad & doubtful debts		<b>5,710</b>	19,436	<b>(305)</b>	(69)
363,677	55,362	Provision for retiring gratuity		<b>259,341</b>	202,768	<b>27,680</b>	26,641
4,798	-	Provision for agents' indemnity fund		<b>2,453</b>	2,366	-	-
2,550	-	Provision for diminution in value of unquoted equity shares		-	1,275	-	-
(17,824)	(2,968)	Provision for / (reversal of ) slow-moving / obsolete inventories:		<b>51,786</b>	(2,261)	<b>(640)</b>	6,045
(94,968)	(633,533)	Interest and dividend income		<b>(35,973)</b>	(40,253)	<b>(5,515)</b>	(130,089)
54,445	-	Differences of exchange on translation of foreign entities		<b>2,805</b>	196,315	-	-
<u>3,322,888</u>	<u>279,391</u>			<u><b>1,584,211</b></u>	<u>1,842,889</u>	<u><b>75,535</b></u>	<u>148,699</u>
(54,149)	101,942	(Increase) / decrease in trade and other receivables		<b>39,700</b>	(1,009,588)	<b>(353,564)</b>	268,406
5,903	48,193	(Increase) / decrease in advances and prepayments		<b>46,188</b>	(220,890)	<b>(78,360)</b>	(49,226)
(125,653)	(16,813)	(Increase) / decrease in inventories		<b>(152,114)</b>	39,882	<b>(169,433)</b>	90,223
483,180	(239,885)	Increase / (decrease) in trade and other payables		<b>(74,312)</b>	940,523	<b>873,379</b>	(40,576)
<u>309,281</u>	<u>(106,563)</u>			<u><b>(140,538)</b></u>	<u>(250,073)</u>	<u><b>272,022</b></u>	<u>268,827</u>
<u>3,632,169</u>	<u>172,828</u>			<u><b>1,443,673</b></u>	<u>1,592,816</u>	<u><b>347,557</b></u>	<u>417,526</u>
<b>B</b>	<b>Analysis of cash &amp; cash equivalents at end of the period</b>						
273,846	92,569	Cash at bank and in hand		<b>518,229</b>	206,274	<b>25,150</b>	47,560
472,535	-	Short term deposits		<b>218,734</b>	615,169	<b>65,442</b>	320,323
(2,350,401)	(320,792)	Short term loans and overdraft		<b>(2,086,451)</b>	(3,102,915)	<b>(264,793)</b>	(402,950)
<u>(1,604,020)</u>	<u>(228,223)</u>			<u><b>(1,349,488)</b></u>	<u>(2,281,472)</u>	<u><b>(174,201)</b></u>	<u>(35,067)</u>

The notes to the financial statements on pages from 9 to 15 form an integral part of the financial statements.

The figures in brackets indicate deductions

**DIPPED PRODUCTS PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**

- These Interim Financial Statements which have not been audited, comply with the LKAS 34 - Interim Financial Reporting and also provide the information required by the Colombo Stock Exchange.
- These Interim Financial Statements have been prepared in accordance with the accounting policies set out in the Annual Report for the year ended 31.03.2013.

### 3. Stated Capital

<u>Group</u>			<u>Group</u>		<u>Company</u>	
<b>Unaudited</b>	Unaudited		<b>Unaudited</b>	Unaudited	<b>Unaudited</b>	Unaudited
<b>As at</b>	As at		<b>As at</b>	As at	<b>As at</b>	As at
<b>31.03.2013</b>	31.03.2012		<b>30.09.2013</b>	30.09.2012	<b>30.09.2013</b>	30.09.2012
<b>Rs.'000</b>	Rs.'000		<b>Rs.'000</b>	Rs.'000	<b>Rs.'000</b>	Rs.'000
		Issued and Fully paid				
<b>598,615</b>	598,615	59,861,512 Ordinary Shares	<b>598,615</b>	598,615	<b>598,615</b>	598,615

- Villagers in the broad neighbourhood of our Manufacturing facilities located in Nedungamuwa started protests started since July 27, 2013 with a misconception that the factory was responsible for low pH in the shallow water affecting the wells.  
  
Arising from these protests and subsequent meetings with the state, we temporary suspended the production operations in order to enable independent verification of facts in relation to the low pH water issue.  
  
The temporary suspension since July 30, 2013 continues to date thus incurring loss of revenue and profitability. Discussions with relevant authorities and stakeholders are under way to resolve the matter as we now understand that the independent reports confirm our position.
- No other circumstances have arisen since the balance sheet date, which would require adjustments to or disclosure in the financial statements other than those disclosed.
- There has not been a significant change in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31.03.2013.
- Where necessary, comparative figures have been re-stated to conform with SLFRS/LKAS. Reconciliations have been provided to reflect the SLFRS/LKAS adjusted Statement of Financial Position and Income Statement for the period ended 30.09.2012.

### 8. Industry Segment Turnover

<u>Group</u>			<u>Group</u>	
Audited			(Restated)	
year to			Unaudited	Unaudited
31.03.2013			6 months to	6 months to
			<b>30.09.2013</b>	30.09.2012
Rs'000			<b>Rs'000</b>	Rs.'000
14,674,543	Hand Protection		<b>6,903,475</b>	7,304,954
9,836,401	Plantations		<b>5,413,168</b>	4,694,139
24,510,944			<b>12,316,643</b>	11,999,093
(853,201)	Inter - segment sales / services		<b>(406,285)</b>	(450,576)
<b>23,657,743</b>			<b>11,910,358</b>	11,548,517

### 9. Industry Segment Results

<u>Group</u>			<u>Group</u>	
Audited			(Restated)	
year to			Unaudited	Unaudited
31.03.2013			6 months to	6 months to
			<b>30.09.2013</b>	30.09.2012
Rs. '000			<b>Rs. '000</b>	Rs.'000
1,371,800	Hand Protection		<b>494,555</b>	686,263
1,154,574	Plantations		<b>384,971</b>	424,175
2,526,374			<b>879,526</b>	1,110,438
(110,000)	Inter - segment results		<b>-</b>	-
2,416,374	Segment results		<b>879,526</b>	1,110,438
(348,097)	Finance cost		<b>(152,513)</b>	(206,362)
106,939	Finance income		<b>109,523</b>	62,548
<b>2,175,216</b>	Profit before tax		<b>836,536</b>	966,624

## DIPPED PRODUCTS PLC

### INVESTOR INFORMATION

	30.09.2013 Rs.	30.09.2012 Rs.
<b>Market Value of Shares</b>		
The market value of an ordinary share of Dipped Products PLC was as follows.		
Closing price on	92.00	109.50
Highest price recorded for the six months ending	134.00	114.00
Lowest price recorded for the six months ending	90.00	84.00
Highest price recorded for the three months ending	125.00	114.00
Lowest price recorded for the three months ending	90.00	84.00
Market Capitalisation (Rs. M)	5,507	6,555
<b>Ratios</b>		
Net assets per share at the period end*	119.61	103.98
Price earnings ratio annualised (times)	5.7	5.2
<b>Share Trading information from April 1, 2013 to September 30, 2013</b>		
Number of transactions	965	728
Number of shares traded	950,236	1,707,452
Value of shares traded (Rs.)	110,607,088	180,012,149

#### Dividend Payments

Final dividend 2012/13 Rs.3.00 per share paid on 08.07.2013

\*Computed based on 59,861,512 shares on issue as at September 30, 2013

#### First twenty shareholders as at September 30, 2013

	Shareholder	No.of Shares as at September 30, 2013	%
1	Hayleys PLC	24,910,938	41.61
2	Employees Provident Fund	7,820,256	13.06
3	Volanka (Pvt) Limited	4,873,640	8.14
4	Haycarb PLC	4,068,746	6.80
5	Promar Overseas SA	3,917,776	6.54
6	National Savings Bank	953,900	1.59
7	Mr.H.A.Pieris	805,426	1.35
8	Bank of Ceylon No.1 Account	792,400	1.32
9	Ravi Industries Limited	567,000	0.95
10	E. W. Balasuriya & Co. (Pvt) Ltd	484,173	0.81
11	Seylan Bank PLC /Symphony Capital Ltd Waldock Mackenzie Ltd/Symphony Capital Ltd	478,145 6,000	0.81
12	Dr.D.Jayantha	415,000	0.69
13	Mr. N. G. Wickremeratne	393,204	0.66
14	Renuka Properties Limited	324,934	0.54
15	Mr.J.A.G.Anandarajah	219,474	0.37
16	Hallsville Trading Group Inc.	204,024	0.34
17	HSBC International Nominees Ltd-SSBT Deutsche Bank AG Singapore A/C 01	200,044	0.33
18	Commercial Bank of Ceylon PLC A/C No. 04	200,000	0.33
19	Mr.S.Krishnananthan	163,044	0.27
20	Mount Lavinia Hotel (Pvt) Ltd	150,000	0.25
	<b>TOTAL</b>	<b>51,948,124</b>	<b>86.78</b>

The percentage of shares held by public as per Colombo Stock Exchange Rules as at September 30, 2013 was 29.32%.

#### Directors' shareholding as at September 30, 2013

Name of Director	No.of Shares as at September 30, 2013
Mr.A.M.Pandithage	-
Mr.N.Y.Fernando	10,288
Mr.R.Seevaratnam (ceased to be Director w.e.f. 30.07.2013)	-
Mr.F.Mohideen	-
Mr.K.A.L.S.Fernando	56,264
Mr.L.G.S.Gunawardena	-
Mr.S.C.Ganegoda	-
Dr.K.I.M.Ranasoma	300
Mr.K.D.D.Perera	1,000
Mr. M. Bottino	-
Mr.R.M.T.Premarathna	1,860
Mr.V.R.Gunasekara	-
Mr.S. Rajapakse (appointed as Director w.e.f. 30.07.2013)	-
<b>TOTAL</b>	<b>69,712</b>

\*Mr.K.D.D.Perera holds 48.38% directly and indirectly of the total issued shares of Hayleys PLC which holds 24,910,938 shares in Dipped Product  
There were no Non-voting shares as at September 30, 2013.

## DIPPED PRODUCTS PLC

### Reconciliation of Total Comprehensive Income for the period ended September 30, 2012

	NOTE	Group			Group		
		SLAS Unaudited 6 months to 30.09.2012 Rs.'000	SLFRS/LKAS Remeasurement Rs.'000	SLFRS/LKAS Unaudited 6 months to 30.09.2012 Rs.'000	SLAS Unaudited 3 months to 30.09.2012 Rs.'000	SLFRS/LKAS Remeasurement Rs.'000	SLFRS/LKAS Unaudited 3 months to 30.09.2012 Rs.'000
<b>Revenue</b>	A	11,493,172	55,345	11,548,517	5,992,375	(47,820)	5,944,555
Cost of sales	B	(9,315,687)	(19,563)	(9,335,250)	(4,802,964)	36,210	(4,766,754)
Gross profit		2,177,485	35,782	2,213,267	1,189,411	(11,610)	1,177,801
Other income and gains		18,588	-	18,588	9,502	-	9,502
Distribution costs		(247,646)	-	(247,646)	(127,914)	-	(127,914)
Administrative expenses		(863,119)	-	(863,119)	(439,675)	-	(439,675)
Other expenses		(10,652)	-	(10,652)	(2,947)	-	(2,947)
Finance costs	C	(212,552)	6,190	(206,362)	(117,843)	(1,906)	(119,749)
Finance income		62,548	-	62,548	16,679	-	16,679
<b>Profit before tax</b>		924,652	41,972	966,624	527,213	(13,516)	513,697
Tax (expense) / release	D	(172,977)	(29,539)	(202,516)	(103,133)	(25,645)	(128,778)
<b>Profit for the period</b>		<b>751,675</b>	<b>12,433</b>	<b>764,108</b>	<b>424,080</b>	<b>(39,161)</b>	<b>384,919</b>
<b>Attributable to :</b>							
Equity holders of the Parent	E	630,702	3,085	633,787	345,019	(32,315)	312,704
Non-controlling interest	F	120,973	9,348	130,321	79,061	(6,846)	72,215
<b>Profit for the period</b>		<b>751,675</b>	<b>12,433</b>	<b>764,108</b>	<b>424,080</b>	<b>(39,161)</b>	<b>384,919</b>

## DIPPED PRODUCTS PLC

### Reconciliation of Total Comprehensive Income for the period ended September 30, 2012

	NOTE	Company			Company		
		SLAS Unaudited 6 months to 30.09.2012 Rs.'000	SLFRS/LKAS Remeasurement Rs.'000	SLFRS/LKAS Unaudited 6 months to 30.09.2012 Rs.'000	SLAS Unaudited 3 months to 30.09.2012 Rs.'000	SLFRS/LKAS Remeasurement Rs.'000	SLFRS/LKAS Unaudited 3 months to 30.09.2012 Rs.'000
<b>Revenue</b>	A	1,008,076	-	1,008,076	560,350	-	560,350
Cost of sales	B	(737,744)	(1,288)	(739,032)	(401,853)	(731)	(402,584)
Gross profit		270,332	(1,288)	269,044	158,497	(731)	157,766
Other income and gains		5,586	-	5,586	2,793	-	2,793
Distribution costs		(26,658)	-	(26,658)	(18,835)	-	(18,835)
Administrative expenses		(156,201)	-	(156,201)	(77,821)	-	(77,821)
Other expenses		(7,624)	-	(7,624)	(880)	-	(880)
Finance costs		(14,596)	-	(14,596)	(2,658)	-	(2,658)
Finance income	C	137,723	2,754	140,477	121,602	1,377	122,979
<b>Profit before tax</b>		208,562	1,466	210,028	182,698	646	183,344
Tax (expense) / release	D	(14,635)	2,511	(12,124)	(15,607)	1,256	(14,351)
<b>Profit for the period</b>		193,927	3,977	197,904	167,091	1,902	168,993

**DIPPED PRODUCTS PLC**  
**Reconciliation of Equity as at September 30, 2012**

As at September 30, 2012	Group			Company			
	Notes	As per SLAS Rs.'000	Remeasurement	As per SLFRS/LKAS	As per SLAS Rs.'000	Remeasurement	As per SLFRS/LKAS
<b>Assets</b>							
<b>Non-current assets</b>							
Property, plant and equipment	G	9,087,344	668,331	9,755,675	312,360	61,382	373,742
Formers (moulds)	H	-	187,097	187,097	-	44,091	44,091
Investment property		225,664	-	225,664	225,664	-	225,664
Biological assets	I	-	192,113	192,113	-	-	-
Intangible assets	J	194,248	(14,534)	179,714	-	-	-
Investments in subsidiaries		-	-	-	2,347,360	-	2,347,360
Investment in equity accounted investee		-	-	-	-	-	-
Other Non Current Financial Assets	K	-	1,298	1,298	-	-	-
Other long term investments	L	1,278	(1,278)	-	-	-	-
Deferred tax assets	M	33,376	(12,274)	21,102	32,764	(9,763)	23,001
		<u>9,541,910</u>	<u>1,020,753</u>	<u>10,562,663</u>	<u>2,918,148</u>	<u>95,710</u>	<u>3,013,858</u>
<b>Current Assets</b>							
Inventories	N	3,324,842	(238,755)	3,086,087	300,132	(44,091)	256,041
Trade and other receivables	O	5,571,278	(587,303)	4,983,975	359,354	(155,853)	203,501
Advances and prepayments	P	-	586,560	586,560	-	155,853	155,853
Amounts due from subsidiaries	Q	-	-	-	251,322	2,754	254,076
Other current financial assets	R	-	11,441	11,441	-	-	-
Short term investments	S	8,437	(8,437)	-	-	-	-
Short term deposits		615,169	-	615,169	320,323	-	320,323
Cash and cash equivalents		206,274	-	206,274	47,560	-	47,560
		<u>9,726,000</u>	<u>(236,494)</u>	<u>9,489,506</u>	<u>1,278,691</u>	<u>(41,337)</u>	<u>1,237,354</u>
<b>Total assets</b>		<u>19,267,910</u>	<u>784,259</u>	<u>20,052,169</u>	<u>4,196,839</u>	<u>54,373</u>	<u>4,251,212</u>
<b>Equity and Liabilities</b>							
Stated capital		598,615	-	598,615	598,615	-	598,615
Capital reserves		383,287	-	383,287	133,788	-	133,788
Available-for-sale (AFS) reserve	T	-	15	15	-	-	-
Revenue reserves	U	4,733,787	508,732	5,242,519	1,909,225	54,373	1,963,598
Total equity attributable to equity holders of Parent		<u>5,715,689</u>	<u>508,747</u>	<u>6,224,436</u>	<u>2,641,628</u>	<u>54,373</u>	<u>2,696,001</u>
Non-controlling interest	V	1,772,867	83,694	1,856,561	-	-	-
<b>Total Equity</b>		<u>7,488,556</u>	<u>592,441</u>	<u>8,080,997</u>	<u>2,641,628</u>	<u>54,373</u>	<u>2,696,001</u>
<b>Non Current Liabilities</b>							
Deferred tax liability	W	255,901	77,240	333,141	-	-	-
Defined benefit obligations		2,279,372	-	2,279,372	275,197	-	275,197
Agents' indemnity fund		50,840	-	50,840	-	-	-
Interest bearing borrowings	X	1,789,541	120,317	1,909,858	-	-	-
Deferred income		706,729	-	706,729	-	-	-
		<u>5,082,383</u>	<u>197,557</u>	<u>5,279,940</u>	<u>275,197</u>	<u>-</u>	<u>275,197</u>
<b>Current Liabilities</b>							
Trade and other payables		3,166,129	-	3,166,129	342,650	-	342,650
Unclaimed dividends/dividend payable		4,201	-	4,201	4,201	-	4,201
Current portion of interest-bearing borrowings	X	283,284	(5,264)	278,020	-	-	-
Short-term interest-bearing borrowings		3,102,915	-	3,102,915	402,950	-	402,950
Amounts due to related parties	Y	-	20,568	20,568	501,017	9,313	510,330
Amounts due to Hayleys PLC	Y	20,568	(20,568)	-	9,313	(9,313)	-
Income tax payable	Z	119,874	(475)	119,399	19,883	-	19,883
		<u>6,696,971</u>	<u>(5,739)</u>	<u>6,691,232</u>	<u>1,280,014</u>	<u>-</u>	<u>1,280,014</u>
<b>Total Liabilities</b>		<u>11,779,354</u>	<u>191,818</u>	<u>11,971,172</u>	<u>1,555,211</u>	<u>-</u>	<u>1,555,211</u>
<b>Total equity, minority interest &amp; liabilities</b>		<u>19,267,910</u>	<u>784,259</u>	<u>20,052,169</u>	<u>4,196,839</u>	<u>54,373</u>	<u>4,251,212</u>

## DIPPED PRODUCTS PLC

### Notes to the SLFRS/LKAS reconciliations for the Income Statements for the 6 months ended 30.09.2012 and Net Assets as at 30.09.2012

**A Revenue**

Revenue of the perennial crop of Plantations has been recognised in the financial period based on the crop harvested in terms of SLAS 32. This method has been changed with the conversion to the SLFRS and revenue is recognised based on the sales made and other recognition criteria are met. The impact to Group revenue was Rs.55.3M.

**B Cost of sales**

Changes in useful lives of plant and machinery had an increasing effect of Rs.1.3M on Cost of Sales of the Company.

Matching the cost of sales against Revenue as per Note A, changes of useful lives and residual values of property, plant and equipment and increase in amortisation due to re-assessment of right-to-use land (Plantations) had a increasing effect of Group cost of sales by Rs.19.6M for the period ended 30.09.2012.

**C Finance costs**

Recognition of guarantee income / expense had an effect on finance income of the Company of Rs.2.8M. Gains/losses on forward contracts which were shown at fair value as per LKAS 39 and re-assessment of lease liability as per SoRP for Right-to-use land had a effect of Rs.6.1 M on the Group for the period ended 30.09.2012.

**D Income tax (expense)/release**

Income tax expenses consists of deferred tax and provisional tax effect on SLFRS/LKAS changes. Company income tax release has been increased by Rs.2.5M and Group income tax expense increased by Rs.29.5 M for the six months period.

**E Profit attributable to equity holders of the parent**

LKAS/SLFRS adjustments had an effect on Profit attributable to equity holders in the Company and Group of Rs. 2.5M and Rs. 3 M respectively.

**F Non-controlling interest**

LKAS/SLFRS adjustments had an effect on Profit attributable to Non-controlling interest in the Group of Rs. 9.3 M.

**G Property, plant and equipment (PPE)**

Changes to the estimation of new useful lives had an effect of positive Rs. 62M on Company PPE as at 30.09.2012. Changes to the estimation of new useful lives, re-classification of improvement to leasehold property consists of mature and immature tea, rubber and other plantation under Biological assets, re-classification of computer software under Intangible assets, reversal of loss on disposal of Plant and Machinery to 01.04.2011 and change in right-to-use land had a positive effect of Rs.668 M on Group PPE as at 30.09.2012.

**H Formers (Moulds)**

Re-classification of Formers (Moulds) under Non-current assets showed an increase of Non-current assets of the Company and the Group by Rs.44 M and Rs.187 M respectively.

**I Biological assets**

Re-classification of Biological assets and valuation of Biological assets at fair value had a positive effect of Rs.192M on the Group as at 30.09.2012.

**J Intangible assets**

Re-classification of Computer Software and write-off of goodwill as at 01.04.2011 had a negative effect of Rs.14.5M for the Group as at 30.09.2012.

**K Other non current financial assets**

Re-Classification of Available-for-Sale financial assets and valuation of the same at fair value had a positive effect of Rs. 1.3M on the Group as at 30.09.2012.

**L Other long term investment**

Re-Classification of Available-for-Sale financial assets under Non Current Financial Assets had a negative positive effect of Rs. 1.3M on the Group as at 30.09.2012.

**M Deferred tax assets**

The deferred tax assets arisen due to the increase of temporary differences as a result of changes in the depreciation policy had a negative effect for the Company and the Group of Rs.9.7M and Rs.12.2M respectively.

## DIPPED PRODUCTS PLC

### Notes to the SLFRS/LKAS reconciliations for the Income Statements for the quarter ended 30.09.2012 and Net Assets as at 30.09.2012

#### N Inventories

Re-classification of Formers (Moulds) under Non - current assets had a negative effect of Rs.44M on Inventory value of the company as at 30.09.2012.

The change in valuation method for produce stock of biological assets (i.e. tea & rubber) from since realized or estimated realizable values, in terms of SLAS 32 to cost or Net realizable value whichever is lower in terms of LKAS 02 and re-classification of Formers (Moulds) under Non - current assets had a negative effect of Rs.239 M on Inventory value of the Group as at 30.09.2012.

#### O & P Trade and other receivable / Advances and prepayments

Re-classification of Advance and Prepayments from Trade and Other Receivables and presenting the same separately had a negative effect on Company and Group Trade and Other Receivable of Rs. 155M and Rs.586M respectively.

The effect of above on Advances and prepayments of the company and Group was a positive Rs.155M and Rs.586M respectively.

#### Q Amounts due from subsidiaries

Recognition of Guarantee income had a positive effect of Rs.2.8M on the Company Amounts due from subsidiaries.

#### R Other current financial assets

Re-Classification of Short Term Investments under Other current financial assets and valuation of forward contracts at fair value had a positive effect of Rs.11.4M on the Group.

#### S Short term investments

Re-Classification of Short Term Investments under Other current financial assets had a negative effect of Rs. 8.4M on the Group .

#### T Available-for-sale (AFS) reserve

Fair value change of Available for sale Financial Asset had a positive effect on the Group reserves of Rs. 0.015M as at 30.09.2012.

#### U Revenue reserves

The re-measurement changes had a positive effect of Rs.54.3M on the Company Revenue Reserves and Rs.509 M on the Group Revenue Reserves as at 30.09.2012.

#### V Non-controlling interest

The re-measurement changes had a positive effect of Rs.83.7 M on Non-controlling interest as at 30.09.2012.

#### W Deferred tax liability

The deferred tax effect due to the increase of the taxable temporary difference as a result of changing depreciation policy and fair valuation of biological assets of the Group had a effect of Rs.77.2M on Deferred tax liability .

#### X Interest bearing borrowings

The group has re-assessed the Liability to Make Lease Payment in terms of SoRP. As a result, it has been increased by Rs.115.1M.

#### Y Amounts due to related parties / Amounts due to Hayleys PLC

Amount Due to Hayleys PLC was reclassified as Amount Due to Related Parties. Consequently Amount Due to Related Parties increased by Rs.9.3 M and Rs. 20.5 M for the Company and Group respectively. The same had a negative effect of Rs. 9.3 M and Rs.20.5 M on Company and Group Amounts due to Hayleys PLC.

#### Z Income tax payable

The income tax effect for KVPL on conversion to SLFRS was Rs.0.475M as at 30.09.2012.