INTERIM REPORT FOR THE YEAR ENDED 31ST MARCH 2014

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

R.K.Witanachchi - Deputy Managing Director (Appointed w.e.f. 01.01.2014)

N.Y. Fernando (Retired w.e.f. 12.12.2013)

R. Seevaratnam (Resigned w.e.f 30.07.2013)

F. Mohideen

K.A.L.S. Fernando

L.G.S.Gunawardena (Resigned w.e.f. 28.02.2014)

S.C.Ganegoda

Dhammika Perera

M. Bottino

R.M.T.Premarathna (Resigned w.e.f. 20.11.2013)

V.R.Gunasekara (Appointed w.e.f. 01.05.2013)

S. Rajapakse (Appointed w.e.f. 30.07.2013)

Ms. D.S.N. Weerasooriya (Appointed as Alternate Director to Dhammika Perera w.e.f. 01.12.2013)

G.K.Seneviratne (Retired w.e.f. 08.04.2013)

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

D P L Premier Gloves Limited (Incorporated on 03.01.2014)

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.

STATEMENTS OF INCOME

	OTATEMENTO OF	Group		Group		
	Year to 31.03.2014 Rs.'000	Year to 31.03.2013 Rs.'000	Increase/ (Decrease) %	03 months to 31.03.2014 Rs.'000	03 months to 31.03.2013 Rs.'000	Increase/ (Decrease)
Turnover	23,092,215	23,657,743	(2)	5,707,960	6,204,081	(8)
Cost of sales	(18,933,023)	(19,079,931)	(1)	(4,530,248)	(5,006,192)	(10)
Gross profit	4,159,192	4,577,812	(9)	1,177,712	1,197,889	(2)
Other income and gains	185,139	126,808	46	113,169	78,521	44
Distribution costs	(527,862)	(489,042)	8	(125,601)	(123,157)	2
Administrative expenses	(2,102,995)	(1,799,295)	17	(635,437)	(508,192)	25
Other expenses	(54,324)	(21,350)	154	(39,622)	(3,523)	1,025
Finance cost	(299,787)	(348,097)	(14)	(71,306)	(44,146)	62
Finance income	159,883	106,939	50	30,686	(103)	(29,892)
Profit before tax	1,519,246	2,153,775	(29)	449,601	597,289	(25)
Tax expense	(362,189)	(387,203)	(6)	(93,678)	(114,687)	(18)
Profit for the year	1,157,057	1,766,572	(35)	355,923	482,602	(26)
Attributable to :						
Equity holders of the parent	795,078	1,408,248	(44)	216,170	329,804	(34)
Non-controlling interest	361,979	358,324	1	139,753	152,798	(9)
Profit for the year	1,157,057	1,766,572	(35)	355,923	482,602	(26)
Basic earnings per ordinary share for the year (Rs.) * Diluted earnings per ordinary share for the year (Rs.) *	13.28	23.53 23.53		3.61 3.61	5.51 5.51	
Dividend per share (Rs)	5.50	7.00		-	-	

^{*}Computed based on 59,861,512 ordinary shares on issue as at March 31, 2014. The notes to the financial statements form an integral part of the financial statements.

The figures in brackets indicate deductions

STATEMENTS OF INCOME

	Company		Company			
	Year to 31.03.2014 Rs.'000	Year to 31.03.2013 Rs.'000	Increase/ (Decrease)	03 months to 31.03.2014 Rs.'000	03 months to 31.03.2013 Rs.'000	Increase/ (Decrease)
Turnover Cost of sales	2,434,997 (2,010,521)	2,018,710 (1,524,208)	21 32	732,612 (606,520)	511,600 (408,623)	43 48
Gross profit	424,476	494,502	(14)	126,092	102,977	22
Other income and gains	493,570	592,994	(17)	309,661	479,903	(35)
Distribution costs	(18,275)	(15,502)	18	20,701	19,611	6
Administrative expenses	(393,325)	(292,882)	34	(89,159)	(58,188)	53
Other expenses	(15,077)	(16,075)	(6)	(2,660)	(2,539)	5
Provision for diminution in value of investments	(100,000)	-	-	-	-	-
Finance cost	(21,680)	(28,422)	(24)	(6,821)	(6,869)	(1)
Finance income	24,624	60,542	(59)	8,722	8,725	(0)
Profit before tax	394,313	795,157	(50)	366,536	543,620	(33)
Income tax (expense) / release	(2,403)	(30,951)	(92)	(585)	(14,498)	(96)
Profit for the year	391,910	764,206	(49)	265,951	529,122	(50)
Basic earnings per ordinary share for the year (Rs.) * Diluted earnings per ordinary share for the year (Rs.) *	6.55 6.55	12.77 12.77		4.44 4.44	8.84 8.84	
Dividend per share (Rs)	5.50	7.00		-	-	

The figures in brackets indicate deductions

^{*}Computed based on 59,861,512 ordinary shares on issue as at March 31, 2014. The notes to the financial statements form an integral part of the financial statements.

STATEMENT OF COMPREHENSIVE INCOME

Group		Company		
Year to	Year to	Year to	Year to	
31.03.2014	31.03.2013	31.03.2014	31.03.2013	
Rs.'000	Rs.'000	Rs.'000	Rs.'000	
1,157,057	1,766,572	391,910	764,206	
17,064	190,398	-	-	
(5,304)	(3)	-	-	
65,655	21,441	(5,011)	(11,783)	
(10,812)	(3,740)	601	1,414	
-	69,591	-	45,297	
66,603	277,687	(4,410)	34,928	
815,446	1,643,574	387,500	799,134	
408,214	400,685	-	-	
1,223,660	2,044,259	387,500	799,134	
	Year to 31.03.2014 Rs.'000 1,157,057 17,064 (5,304) 65,655 (10,812) - 66,603 815,446 408,214	Year to Year to 31.03.2014 31.03.2013 Rs.'000 Rs.'000 1,157,057 1,766,572 17,064 190,398 (5,304) (3) 65,655 21,441 (10,812) (3,740) - 69,591 66,603 277,687 815,446 1,643,574 408,214 400,685	Year to 31.03.2014 Year to 31.03.2013 Year to 31.03.2014 Rs.'000 Rs.'000 Rs.'000 1,157,057 1,766,572 391,910 17,064 190,398 - (5,304) (3) - 65,655 21,441 (5,011) (10,812) (3,740) 601 - 69,591 - 66,603 277,687 (4,410) 815,446 1,643,574 387,500 408,214 400,685 -	

The notes to the financial statements form an integral part of the financial statements.

DIPPED PRODUCTS PLC STATEMENTS OF FINANCIAL POSITION

	Group		Company		
	As at 31.03.2014 Rs.'000	As at 31.03.2013 Rs.'000	As at 31.03.2014 Rs.'000	As at 31.03.2013 Rs.'000	
ASSETS Non-current assets					
Tangible assets Property , plant and equipment Formers (Maulds) Investment property Biological assets	10,414,861 219,404 397,515 266,508	10,119,322 190,647 221,896 235,021	414,754 64,012 305,969 -	478,171 55,934 221,896	
Intangible assets Investments in subsidiaries Other non-current financial assets	177,991 - 17	178,611 - 22	- 2,552,684 -	- 2,352,684 -	
Deferred tax assets Total non-current assets	17,025 11,493,321	20,647 10,966,166	16,666 3,354,085	20,360 3,129,045	
Current assets	2 640 207	2 267 405	E40 204	270.000	
Inventories Trade and other receivables Advances and prepayments	3,618,367 4,223,498 334,094	3,267,185 4,162,919 359,767	542,331 758,068 75,774	372,090 308,031 58,434	
Amounts due from related parties Other current financial assets Cash and short term deposits	- - 375,745	- 6,137 746,381	451,110 - 22,674	324,823 - 92,569	
Total current assets	8,551,704	8,542,389	1,849,957	1,155,947	
Total assets	20,045,025	19,508,555	5,204,042	4,284,992	
EQUITY AND LIABILITIES attributable to equity holders					
Stated capital (Issued and fully paid 59,861,512 ordinary shares) Capital reserves Available-for-sale (AFS) reserve	598,615 457,251 11	598,615 452,878 14	598,615 179,085 -	598,615 179,085	
Revenue reserves Total equity attributable to equity holders of the company Non-controlling interest	6,271,286 7,327,163 2,322,191	5,793,215 6,844,722 2,068,640	2,350,086 3,127,786	2,291,824 3,069,524	
Total equity	9,649,354	8,913,362	3,127,786	3,069,524	
Liabilities Non-current liabilities Deferred tax liability	458,093	370,723	_	_	
Retirement benefit obligations Agents' indemnity fund Interest bearing loans and borrowings	2,344,592 59,576 1,451,593	2,324,356 52,900 1,642,681	297,076 - -	290,448 - -	
Deferred income Total non-current liabilities	667,163 4,981,017	699,054 5,089,714	297,076	290,448	
Current liabilities Trade and other payables Short-term interest-bearing loans and borrowings	2,908,969 2,465,359	2,733,766 2,686,940	531,448 475,117	264,133 320,792	
Amounts due to related parties Income tax payable Total current liabilities	40,326 5,414,654	84,773 5,505,479	772,615 - 1,779,180	312,993 27,102 925,020	
Total equity and liabilities	20,045,025	19,508,555	5,204,042	4,284,992	

The notes to the financial statements form an integral part of the financial statements.

The Statement of Financial Position as at March 31, 2014, and Statements of Income, Changes in Equity and Cash Flow for the year and Statement of Income for the three months then ended are drawn up from the unaudited financial statements of the Company, its subsidiaries and associates 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 sgd.
Dr. K.I.M. Ranasoma
Managing Director

DIPPED PRODUCTS PLC STATEMENTS OF CHANGES IN EQUITY

Group For the year ended March 31, 2014

				Attributable to	equity holders of	the Company					Non- controlling Interest	Total Equity
	Stated Capital	Ca	pital Reserves	s	Other Components of Equity	R	evenue Rese	erves	-	Total		
		Reserve on scrip Issue	Revaluation Reserve	Other Capital Reserve	Available-for- sale Reserve	General Reserve	Timber Reserve	Retained Earnings	Exchange Fluctuation Reserve			
	<u>Rs'000</u>	<u>Rs'000</u>	<u>Rs'000</u>	<u>Rs'000</u>	<u>Rs'000</u>	<u>Rs'000</u>	<u>Rs'000</u>	<u>Rs'000</u>	<u>Rs'000</u>	<u>Rs'000</u>	<u>Rs'000</u>	<u>Rs'000</u>
Balance as at April 1, 2012	598,615	25,384	189,517	21,935	16	927,688	29,845	3,917,121	90,928	5,801,049	1,750,494	7,551,543
Profit for the year Other comprehensive income	-	-	- 69,591	-	(2)	-	17,386	1,390,862 9,640	- 156,097	1,408,248 235,326	358,324 42,361	1,766,572 277,687
Transfers /adjustments Dividends	-	142,025	· -	4,426	-	242,012	-	(388,463) (598,615)	-	(598,615)	(89,281)	(687,896)
Changes in holdings Balance as at March 31, 2013	598,615	167,409	259,108	26,361	14	1,169,700	47,231	(1,395) 4,329,150	109 247,134	(1,286) 6,844,722	6,742 2,068,640	5,456 8,913,362
Profit for the year Other comprehensive income	-	-	-	-	- (3)	<u>-</u>	17,173	777,905 27,372	- (7,001)	795,078 20,368	361,979 46,235	1,157,057 66,603
Transfers /adjustments Dividends	-	-	-	4,373	(3) - -	- -	-	(8,140) (329,238)	(7,001) - -	(3,767) (329,238)	(311) (152,471)	(4,078) (481,709)
Changes in holdings Balance as at March 31, 2014	598.615	167.409	259.108	30.734	11	1.169.700	64,404	4.797.049	240.133	7.327.163	(1,881) 2.322.191	(1,881) 9.649.354

Company
For the year ended March 31, 2014
Stated Capital ------Capital Reserves-------Revenue Reserves--Total

		Revaluation Of Reserve	ther Capital Reserve	Retained Earnings	
	Rs'000	<u>Rs'000</u>	<u>Rs'000</u>	<u>Rs'000</u>	<u>Rs'000</u>
Balance as at April 1, 2012	598,615	133,608	180	2,136,602	2,869,005
Profit for the year Other comprehensive income Dividends	:	45,297 -	- - -	764,206 (10,369) (598,615)	764,206 34,928 (598,615)
Balance as at March 31, 2013	598,615	178,905	180	2,291,824	3,069,524
Profit for the year Other comprehensive income Dividends	-	- - -	- - -	391,910 (4,410) (329,238)	391,910 (4,410) (329,238)
Balance as at March 31, 2014	598,615	178,905	180	2,350,086	3,127,786

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

Pear		<u>Group</u>		<u>Company</u>		
Cash flows from operating activities		Vacata		Vacata		
Rational			•		•	
Cash Row from sperating activities 2,21,903 3,832,169 85,540 172,828 Cash sperated from operalitors (Note A) (289,570) (348,077) (21,680) (284,270) (14,903) (28,410) (28,410) (28,410) (28,410) (28,410) (21,53,520) (44,624) (27,102) Agent's Indemnity paid (2,680) (518) - (17,202) (44,620) (27,75,600) (17,740) 102,401 <th></th> <th></th> <th></th> <th></th> <th></th>						
Cash generated from operations (Note A) (269,1903 (348,097) (21,680) (28,422) income taxes pad (308,539) (338,216) (36,710) (14,8003) (208,622) (10,607) (21,608) (27,702) (21,602) (21,502) (44,524) (27,702) (21,602) (21,502) (44,524) (27,702) (21,602) (21,502) (44,524) (27,702) (42,602) (21,502) (44,524) (27,702) (42,602) (21,502) (47,604) (12,702) (42,606) (10,022,154) (71,764) (102,201) Cash flows from investing activities Variable of the control of property, plant and equipment (1,214,696) (1,022,154) (71,764) (15,190) (16,702) (16,702) (17,702) (1		1/3.000	13.000	13.000	13.000	
Interest paid		0.004.000	0.000.400	05.540	470.000	
Income taxes paid (308,539) (328,216) (36,710) (14,002) (27,102) Agents' indemnity paid (2,680) (618) (27,102) Agents' indemnity paid (2,680) (618) (74,74) (27,102) Agents' indemnity paid (2,680) (618) (74,74) (102,401) Cash flows from investing activities (1,244,696) (1,022,154) (71,784) (95,540) Purchase of formers (moulds) (46,080) (44,160) (15,190) (16,792) Purchase of formers (moulds) (46,080) (44,160) (15,190) (16,792) Purchase of formers (moulds) (46,080) (44,160) (41,737) Purchase of formers (moulds) (46,080) (41,737) (48,090) Purchase of formers (moulds) (41,737) (41,737) (41,737) (41,737) Purchase of formers (moulds) (41,737)	· · · · · · · · · · · · · · · · · · ·		, ,			
Retiring gratuity paid (31,972) (21,932) (44,624) (27,102) Net cash flow from operating activities (2,886) (51,802) (2,735,506) (17,747) 102,010 Purchase & construction of property, plant and equipment (12,14,696) (1,022,154) (71,784) (95,540) Purchase of frommers (moulds) (48,080) (24,606) (15,150) (16,792) Acquisition of intangible assets (43,00) (24,606) (15,150) (16,792) Acquisition of intangible assets (43,00) (24,606) (22,154) (71,744) (80,000) Procaded from disposal of property, plant and equipment 34,871 45,008 2,744 8,009 Procaded from disposal of property, plant and equipment 34,871 45,008 2,744 8,009 Procaded from disposal of property, plant and equipment 34,871 45,008 2,744 8,009 Investments in group companies 6,13,909 4,686 14,432 3,000 33,000 33,000 33,000 33,141 51,142 4,147 51,142 11,143 191,322	·	• • •				
Agents indemnity paid (2,880) (518) - - Note cash flow from operating activities 1,739,242 2,735,806 (17,474) 102,401 Purchase A construction of property, plant and equipment (1,214,680) (3,160) (15,190) (16,792) Acquisition of intangpible assets (1,224,680) (3,160) (15,190) (16,792) Acquisition of intangpible assets (1,224,680) (3,2,808) 2,744 8,909 Development cost (not) incursed on biological assets (3,422) (11,737) - (300,000) (33,8784) Interest received (3,839) 94,968 14,432 52,189 Universiments in group companies (15,4653) (38,281) - 481,147 581,344 Not payments to non-controlling interest (15,4653) (38,281) 1,11,49 191,328 Long term loans obtained (31,3142) (32,278) 1,11,49 191,328 Cash flows from financing activities (31,3142) (32,278) 1,11,49 191,328 Long term loans obtained (31,31,317) (32,	•	• • •	, ,			
Net cash flow from operating activities Purchase a Construction of property, plant and equipment Purchase a Construction of Purchase a	* * * * * * * * * * * * * * * * * * * *	• • •		(44,624)	(27,102)	
Purchase & construction of property, plant and equipment (1,214,596) (1,022,154) (71,784) (95,504)				(17 474)	102 401	
Purchase & construction of property plant and equipment 1,214,686 (1,022,154) (71,784) (95,540) (15,190) (16,792) Acquisition of intangible assets 1,1246 3.2,808 3.4,871 3.2,808 2.7 3.2,809 3.4,871 3.2,809 3.4,871 3.4,87	Net cash now norn operating activities	1,730,242	2,733,000	(17,474)	102,401	
Purchase of formers (moulds)						
Acquisition of intangible assets (1,246) - - Proceeds from disposal of property, plant and equipment 34,871 45,099 2,744 8,099 Development cost (net) incurred on biological assets 1,422 (11,737) - - Investments in group companies - - (300,000) (338,784) 1,514 52,189 Dividend received from associate / subsidiary companies - - 481,147 581,344 1,814 581,344 1,814 581,344 1,814 581,344 1,814 581,344 1,814 581,344 1,814 1,914 581,344 1,814 1,914 581,344 1,814 1,914 581,344 1,814 1,914 581,344 1,814 1,914		(1,214,696)	(1,022,154)			
Caratis received 4,430 32,2008 7,7000 7,000	,	• • •	(34,160)	(15,190)	(16,792)	
Proceeds from disposal of property, plant and equipment 34,871 45,669 2,744 8,090 2,000 2,000 338,784 1,1737 1,000				-	-	
Development cost (net) incurred on biological assets 3,422 (11,737)			•	-		
Investments in group companies		•	•	2,744	8,909	
Interest roceived from associate / subsidiary companies - - - - - - - - -	• • • • • • • • • • • • • • • • • • • •	(3,422)	(11,737)	-	(000 70 4)	
Dividend received from associate / subsidiary companies 154,663 (89,281) - - - Net cash flows from investing activities (1,310,967) (984,487) 111,348 191,326 Cash flows from financing activities (1,310,967) (984,487) (111,348) 191,326 Cash flows from financing activities (1,310,967) (984,487) (111,348) (191,326 Captal payment on binance obtained 89,884 17,171 - - Repayment of long term loans (313,142) (329,768) - Captal payment on financing activities (2,623) (2,622) (318,095) (597,102) Dividend paid (1,343,976) (912,381) (318,095) (597,102) Net cash flows from financing activities (543,976) (912,381) (318,095) (597,102) Net cash flows from financing activities (543,976) (912,381) (318,095) (597,102) Net cash flows from financing activities (543,976) (912,381) (318,095) (597,102) Net cash flows from financing activities (1,24,701) (1,604,020) (2,422,978) (228,223) (228,223) Net cash devivalents at beginning of the year (Note B) (1,728,721) (1,604,020) (452,443) (228,223)	•	-	-			
Net payments to non-controlling interest 154,663 (98,281) 111,349 191,326		69,839	94,968	•		
Net cash flows from investing activities (1,310,967) (984,487) (111,349) (191,326)	The state of the s	- (4E4 CC2)	(00.004)	481,147	581,344	
Cash generated from operations Repairment of the year (Note B) Cash & cash equivalents at end of the year (Note B) Cash & cash equivalents at end of the year (Note B) Cash & cash equivalents at end of the year (Note B) Cash & cash equivalents at end of the year (Note B) Cash & cash equivalents Cash & cash equival				444.240	404 220	
Long term loans obtained \$8,884 17,171 .	S .	(1,310,967)	(984,487)	111,349	191,326	
Repayment of long term loans	<u> </u>					
Capital payment on finance lease (2,623) (2,623) (2,625) - Debivided poid of (318,095) (597,102) (180,55) (597,102) Net cash flows from financing activities (543,976) (912,361) (318,095) (397,102) Net increase / (decrease) in cash & cash equivalents at end of the year (1,604,020) (2,442,978) (223,223) 75,152 Cash & cash equivalents at end of the year (Note B) (1,728,721) (1,604,020) (452,443) (228,223) Cash & cash equivalents at end of the year (Note B) (1,728,721) (1,604,020) (452,443) (228,223) Cash & cash equivalents at end of the year (Note B) (1,728,721) (1,604,020) (452,443) (228,223) Cash & cash equivalents at end of the year (Note B) (1,728,721) (1,604,020) (452,443) (228,223) Cash & cash equivalents at end of the year (Note B) (1,728,721) (1,604,020) (452,443) (228,223) Cash & cash equivalents at end of the year (Note B) (1,728,721) (1,604,020) (452,443) (228,223) Cash & cash equivalents at end of the year (Note B) (1,728,44	· ·	•	·	-	-	
Dividend paid S18,095 S97,102 S18,095 S97,102 Net cash flows from financing activities S43,976 C912,361 S18,095 C97,102 S18,095 C97,102 S18,095 C97,102 S18,095 C97,102 S18,095 C97,102 S18,095 C97,102 S18,095 C24,200 C28,223 C75,152 C28 & cash equivalents at end of the year (Note B) (1,728,721) (1,604,020) (452,443) (228,223) C75,152 C28 & cash equivalents at end of the year (Note B) (1,728,721) (1,604,020) (452,443) (228,223) C28,223 C28,023 C28,	· ·			-	-	
Net cash flows from financing activities (543.976) (912.361) (318.095) (597.102) (303.375) (244.978) (228.223) (303.375) (236.8 à cash equivalents at beginning of the year (1,604.020) (2,442.978) (228.223) (75.152) (228.223) (75.152) (1,604.020) (4,604.020)	· · · ·	• • • •	, ,	(040,005)	(507.400)	
Net increase / (decrease) in cash & cash equivalents (124,701) (238,958) (224,220) (228,223) (75,152) (238, & 238) (228,223) (228,2	•					
Cash & cash equivalents at beginning of the year (Note B) (1,604,020) (2,442,978) (228,223) 75,152 Cash & cash equivalents at end of the year (Note B) (1,728,721) (1,604,020) (452,443) (228,223) Cash generated from operations 1,519,246 2,153,775 394,313 795,157 Adjustments for 269,570 348,097 21,680 28,422 Gain on fair value change in biological assets (28,065) (31,171) - - Depreciation of property, plant and equipment 675,644 628,747 44,223 38,636 Impairment losses on property, plant and equipment 36,912 - - - Depreciation on investment property 5,336 5,335 5,336 5,335 Impairment of formers 17,323 32,244 7,112 5,139 Amortisation of intangible assets 1,866 2,697 - - Amortisation of grants (36,321) (37,123) - - - Gain on disposal of property, plant & equipment (18,576) (30,722) (1,175) <t< td=""><td>· · · · · · · · · · · · · · · · · · ·</td><td></td><td></td><td></td><td></td></t<>	· · · · · · · · · · · · · · · · · · ·					
Cash & cash equivalents at end of the year (Note B) (1,728,721) (1,604,020) (452,443) (228,223) Cash generated from operations 1,519,246 2,153,775 394,313 795,157 Profit before tax 1,519,246 2,153,775 394,313 795,157 Adjustments for 269,570 348,097 21,680 28,422 Gain on fair value change in biological assets (28,065) (31,171) - - Depreciation of property, plant and equipment 36,912 - - - - Depreciation on investment property 5,336 5,335 5,336 5,335 1,335 1,332 1,244 7,112 5,139 1,332 1,324 7,112 5,139 1,333 1,332 1,344 7,112 5,139 1,332 1,344 7,112 5,139 1,332 1,344 7,112 5,139 1,332 1,444 7,112 5,139 1,442 1,442 3,441 7,112 5,139 1,442 3,411 1,442 3,413 1,442 3,412	, , ,		•			
Cash generated from operations Profit before tax 1,519,246 2,153,775 394,313 795,157 Adjustments for 269,570 348,097 21,680 28,422 Cash on a fair value change in biological assets (28,065) (31,171) - - Depreciation of property, plant and equipment 675,644 628,747 44,223 38,636 Impairment losses on property, plant and equipment 36,912 - - - Depreciation on investment property 5,336 5,335 5,336 5,335 Impairment of formers 17,323 32,244 7,112 5,139 Amortisation of inlargible assets 1,866 2,697 - - Cain on disposal of property, plant & equipment (18,576) (30,722) (1,175) (478) Amortisation of grants (36,321) (37,123) - - Provision for (reversal of) bad & doubtful debts 3,332 (79,061) 485 102 Provision for (reversal of) bad & doubtful debts 3,332 (79,061) 485 102 Provision for agents indemnity fund 5,339 4,798 - - Provision for agents indemnity fund 5,339 4,798 - - Provision for agents indemnity fund 5,339 4,798 - - Provision for biminution in value of unquoted equity shares - 2,550 100,000 - Provision for biminution in value of unquoted equity shares - 2,550 100,000 - Provision for diminution in value of unquoted foreign entities 87,446 54,445 - - Provision for diminution in value of unquoted equity shares - 2,550 100,000 - Provision for diminution in value of unquoted equity shares - 2,550 100,000 - Provision for deminution in value of unquoted equity shares - 2,550 100,000 - Provision for diminution in value of unquoted equity shares - 2,550 100,000 - Provision for diminution in value of unquoted equity shares - 2,550 100,000 - Provision for diminution in value of unquoted equity shares - 2,550 100,000 - Provision for diminution in value of unquoted equity shares - 2,550 100,000 - Provision for di						
Profit before tax Adjustments for 1,519,246 2,153,775 394,313 795,157 Adjustments for 269,570 348,097 21,680 28,422 Interest cost (28,065) (31,171) 1. . Cain on fair value change in biological assets (28,065) (31,171) 1. . Depreciation of property, plant and equipment 675,644 628,747 44,223 38,636 Impairment losses on property, plant and equipment 36,912 - - - - Depreciation on investment property 5,336 5,335 5,336 5,335 1,332 2,244 7,112 5,139 Amortisation of intangible assets 1,866 2,697 - - - - Sut (gain) / loss on current financial assets and liabilities 838 (4,049) - - - Sut (gain) / loss on current financial assets and liabilities 838 (4,049) - - - - Gain on disposal of property, plant & equipment (18,576) (30,722) (1,175) (478)	Cash & cash equivalents at end of the year (Note B)	(1,728,721)	(1,604,020)	(452,443)	(228,223)	
Gain on fair value change in biological assets (28,065) (31,171) - - Depreciation of property, plant and equipment 675,644 628,747 44,223 38,636 Impairment losses on property, plant and equipment 36,912 - - - Depreciation on investment property 5,336 5,335 5,336 5,335 Impairment of formers 17,323 32,244 7,112 5,139 Amortisation of intangible assets 1,866 2,697 - - Net (gain) / loss on current financial assets and liabilities 838 (4,049) - - Gain on disposal of property, plant & equipment (18,576) (30,722) (1,175) (478) Amortisation of grants 33,321 (37,123) - - - Provision for / (reversal of) bad & doubtful debts 3,332 (79,61) 485 102 Provision for agents' indemnity fund 5,339 4,798 - - - Provision for diminution in value of unquoted equity shares - 2,550 100,000 - </th <th>Profit before tax</th> <th>1,519,246</th> <th>2,153,775</th> <th>394,313</th> <th>795,157</th>	Profit before tax	1,519,246	2,153,775	394,313	795,157	
Gain on fair value change in biological assets (28,065) (31,171) - - Depreciation of property, plant and equipment 675,644 628,747 44,223 38,636 Impairment losses on property, plant and equipment 36,912 - - - Depreciation on investment property 5,336 5,335 5,336 5,335 Impairment of formers 17,323 32,244 7,112 5,139 Amortisation of intangible assets 1,866 2,697 - - Net (gain) / loss on current financial assets and liabilities 838 (4,049) - - Gain on disposal of property, plant & equipment (18,576) (30,722) (1,175) (478) Amortisation of grants 33,321 (37,123) - - - Provision for / (reversal of) bad & doubtful debts 3,332 (79,61) 485 102 Provision for agents' indemnity fund 5,339 4,798 - - - Provision for diminution in value of unquoted equity shares - 2,550 100,000 - </td <td>Interest cost</td> <td>260 570</td> <td>249.007</td> <td>21 690</td> <td>20 422</td>	Interest cost	260 570	249.007	21 690	20 422	
Depreciation of property, plant and equipment losses on property, plant and equipment losses los losses los losses los losses los losses los los los los los los los los los lo		•	·	21,000	20,422	
Impairment losses on property, plant and equipment 36,912 5,336		• • •	,	44 223	38 636	
Depreciation on investment property 5,336 5,335 5,336 5,335 1893		•	-		-	
Impairment of formers			5.335	5.336	5.335	
Amortisation of intangible assets 1,866 2,697 Net (gain) / loss on current financial assets and liabilities 838 (4,049) - - - Gain on disposal of property, plant & equipment (18,576) (30,722) (1,175) (478) Amortisation of grants (36,321) (37,123) - - - Provision for / (reversal of) bad & doubtful debts 3,332 (79,061) 485 102 Provision for retiring gratuity 393,251 385,118 46,241 43,579 Provision for agents' indemnity fund 5,339 4,798 - - Provision for diminution in value of unquoted equity shares - 2,550 100,000 - Provision for slow-moving / obsolete inventories 132,231 (17,824) 3,411 (2,968) Interest and dividend income (69,839) (94,968) (495,579) (633,533) Differences of exchange on translation of foreign entities 87,446 54,445 - - - 2,995,533 3,322,888 126,047 279,391 (Increase) / decrease in trade and other receivables (79,950) (54,149) (565,308) 101,942 (Increase) / decrease in advances and prepayments 25,673 5,903 (173,40) 48,193 (Increase) / decrease in inventories (483,413) (125,653) (173,652) (16,813) Increase / (decrease) in trade and other payables 164,060 483,180 715,793 (239,885) Increase / (decrease) in trade and other payables 164,060 483,180 715,793 (239,885) Analysis of cash & cash equivalents at end of the year Cash at bank and in hand 159,173 273,846 22,674 92,569 Short term loans and overdraft (2,104,466) (2,350,401) (475,117) (320,792)			·	= 440		
Net (gain) / loss on current financial assets and liabilities 838 (4,049)	•			-	-	
Amortisation of grants Provision for / (reversal of) bad & doubtful debts 3,332 (79,061) 485 102 Provision for retiring gratuity 393,251 385,118 46,241 43,579 Provision for agents' indemnity fund Provision for agents' indemnity fund 5,339 4,798 Provision for diminution in value of unquoted equity shares Provision for slow-moving / obsolete inventories Interest and dividend income (69,839) (94,968) (495,579) (633,533) Differences of exchange on translation of foreign entities R7,446 54,445 Expectage of exchange on translation of foreign entities R7,446 54,445 Expectage of exchange on translation of foreign entities R7,446 54,445 Expectage of exchange on translation of foreign entities R7,446 54,445 Expectage of exchange on translation of foreign entities R7,446 54,445 Expectage of exchange on translation of foreign entities R7,446 54,445 Expectage of exchange on translation of foreign entities R7,446 54,445 Expectage of exchange on translation of foreign entities R7,446 54,445 Expectage of exchange on translation of foreign entities R7,446 54,445 Expectage of exchange on translation of foreign entities R7,446 54,445 Expectage of exchange on translation of foreign entities R7,446 54,445 Expectage of exchange on translation of foreign entities R7,446 54,445 Expectage of exchange on translation of foreign entities R7,446 54,445				-	-	
Provision for / (reversal of) bad & doubtful debts 3,332 (79,061) 485 102 Provision for retiring gratuity 393,251 385,118 46,241 43,579 Provision for agents' indemnity fund 5,339 4,798 - - Provision for diminution in value of unquoted equity shares - 2,550 100,000 - Provision for slow-moving / obsolete inventories 132,231 (17,824) 3,411 (2,968) Interest and dividend income (69,839) (94,968) (495,579) (633,533) Differences of exchange on translation of foreign entities 87,446 54,445 - - - (Increase) / decrease in trade and other receivables (79,950) (54,149) (565,308) 101,942 (Increase) / decrease in advances and prepayments 25,673 5,903 (17,340) 48,193 (Increase) / decrease in inventories (483,413) (125,653) (173,652) (16,813) Increase / (decrease) in trade and other payables 164,060 483,180 715,793 (239,885) Analysis of cash & cash equivalents at en	Gain on disposal of property, plant & equipment	(18,576)	(30,722)	(1,175)	(478)	
Provision for retiring gratuity 393,251 385,118 46,241 43,579 Provision for agents' indemnity fund 5,339 4,798 - - Provision for diminution in value of unquoted equity shares - 2,550 100,000 - Provision for slow-moving / obsolete inventories 132,231 (17,824) 3,411 (2,968) Interest and dividend income (69,839) (94,968) (495,579) (633,533) Differences of exchange on translation of foreign entities 87,446 54,445 - - - (Increase) / decrease in trade and other receivables (79,950) (54,149) (565,308) 101,942 (Increase) / decrease in advances and prepayments 25,673 5,903 (17,340) 48,193 (Increase) / decrease in inventories (483,413) (125,653) (173,652) (16,813) Increase / (decrease) in trade and other payables 164,060 483,180 715,793 (239,885) Analysis of cash & cash equivalents at end of the year 2,621,903 3,632,169 85,540 172,828 Cash at bank and in hand<	Amortisation of grants	(36,321)	(37,123)	-	-	
Provision for agents' indemnity fund 5,339 4,798 - - Provision for diminution in value of unquoted equity shares - 2,550 100,000 - Provision for slow-moving / obsolete inventories 132,231 (17,824) 3,411 (2,968) Interest and dividend income (69,839) (94,968) (495,579) (633,533) Differences of exchange on translation of foreign entities 87,446 54,445 - - (Increase) / decrease in trade and other receivables (79,950) (54,149) (565,308) 101,942 (Increase) / decrease in advances and prepayments 25,673 5,903 (17,340) 48,193 (Increase) / decrease in inventories (483,413) (125,653) (173,652) (16,813) Increase / (decrease) in trade and other payables 164,060 483,180 715,793 (239,885) Analysis of cash & cash equivalents at end of the year 26,21,903 3,632,169 85,540 172,828 Analysis of cash & cash equivalents at end of the year 273,846 22,674 92,569 Short term deposits 216,572 </td <td>Provision for / (reversal of) bad & doubtful debts</td> <td>3,332</td> <td>(79,061)</td> <td>485</td> <td>102</td>	Provision for / (reversal of) bad & doubtful debts	3,332	(79,061)	485	102	
Provision for diminution in value of unquoted equity shares - 2,550 100,000 -	Provision for retiring gratuity	393,251	385,118	46,241	43,579	
Provision for slow-moving / obsolete inventories 132,231 (17,824) 3,411 (2,968)		5,339	4,798	-	-	
Interest and dividend income (69,839) (94,968) (495,579) (633,533)	· · · · · · · · · · · · · · · · · · ·	-	2,550	100,000	-	
Differences of exchange on translation of foreign entities 87,446 54,445						
Cash at bank and in hand Cash at bank and overdraft Cash at bank and other properties Cash at bank and other properties Cash at bank and other properties Cash at bank and other p			, ,	(495,579)	(633,533)	
(Increase) / decrease in trade and other receivables (79,950) (54,149) (565,308) 101,942 (Increase) / decrease in advances and prepayments 25,673 5,903 (17,340) 48,193 (Increase) / decrease in inventories (483,413) (125,653) (173,652) (16,813) Increase / (decrease) in trade and other payables 164,060 483,180 715,793 (239,885) (373,630) 309,281 (40,507) (106,563) 2,621,903 3,632,169 85,540 172,828 Analysis of cash & cash equivalents at end of the year 2 273,846 22,674 92,569 Short term deposits 216,572 472,535 - - - Short term loans and overdraft (2,104,466) (2,350,401) (475,117) (320,792)	Differences of exchange on translation of foreign entities				-	
(Increase) / decrease in advances and prepayments 25,673 5,903 (17,340) 48,193 (Increase) / decrease in inventories (483,413) (125,653) (173,652) (16,813) Increase / (decrease) in trade and other payables 164,060 483,180 715,793 (239,885) (373,630) 309,281 (40,507) (106,563) 2,621,903 3,632,169 85,540 172,828 Analysis of cash & cash equivalents at end of the year 2 273,846 22,674 92,569 Short term deposits 216,572 472,535 - - Short term loans and overdraft (2,104,466) (2,350,401) (475,117) (320,792)		2,995,533	3,322,888	126,047	279,391	
(Increase) / decrease in inventories (483,413) (125,653) (173,652) (16,813) Increase / (decrease) in trade and other payables 164,060 483,180 715,793 (239,885) (373,630) 309,281 (40,507) (106,563) 2,621,903 3,632,169 85,540 172,828 Analysis of cash & cash equivalents at end of the year 2 273,846 22,674 92,569 Short term deposits 216,572 472,535 - - Short term loans and overdraft (2,104,466) (2,350,401) (475,117) (320,792)	(Increase) / decrease in trade and other receivables	(79,950)	(54,149)	(565,308)	101,942	
Increase / (decrease) in trade and other payables 164,060 483,180 715,793 (239,885) (373,630) 309,281 (40,507) (106,563)	(Increase) / decrease in advances and prepayments	25,673	·	(17,340)		
(373,630) 309,281 (40,507) (106,563) 2,621,903 3,632,169 85,540 172,828 Analysis of cash & cash equivalents at end of the year 159,173 273,846 22,674 92,569 Short term deposits 216,572 472,535 - - Short term loans and overdraft (2,104,466) (2,350,401) (475,117) (320,792)	,	• • •				
Analysis of cash & cash equivalents at end of the year 2,621,903 3,632,169 85,540 172,828 Cash at bank and in hand 159,173 273,846 22,674 92,569 Short term deposits 216,572 472,535 - - Short term loans and overdraft (2,104,466) (2,350,401) (475,117) (320,792)	Increase / (decrease) in trade and other payables					
Analysis of cash & cash equivalents at end of the year Cash at bank and in hand 159,173 273,846 22,674 92,569 Short term deposits 216,572 472,535 - - Short term loans and overdraft (2,104,466) (2,350,401) (475,117) (320,792)						
Cash at bank and in hand 159,173 273,846 22,674 92,569 Short term deposits 216,572 472,535 - - Short term loans and overdraft (2,104,466) (2,350,401) (475,117) (320,792)		2,621,903	3,632,169	85,540	172,828	
Short term deposits 216,572 472,535 - - Short term loans and overdraft (2,104,466) (2,350,401) (475,117) (320,792)	Analysis of cash & cash equivalents at end of the year					
Short term loans and overdraft (2,104,466) (2,350,401) (475,117) (320,792)		•		22,674	92,569	
	•			-	-	
(1,728,721) (1,604,020) (452,443) (228,223)	Short term loans and overdraft					
		(1,728,721)	(1,604,020)	(452,443)	(228,223)	

The notes to the financial statements form an integral part of the financial statements.

The figures in brackets indicate deductions

В

Group

Group

DIPPED PRODUCTS PLC

NOTES TO THE FINANCIAL STATEMENTS

- 1. 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.
- 2. 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. The manufacturing facilities at Weliweriya remained non-operational due to continuous protests by certain sections of the villagers, despite independent reports confirm that the Company is not responsible for low pH in the shallow water in the neighborhood.
- 4 The company incorporated new company D P L Premier Gloves Ltd to manufacture and export of rubber glove business at Biyagama Export Processing Zone. D P L Premier Gloves Ltd acquired some assets of Venigros (Pvt) Ltd.
- 5. 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.
- **6.** 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.
- 7. Where necessary, comparative figures have been re-stated to conform with SLFRS/LKAS.

8. Industry Segment Turnover

	<u></u>
Year to	Year to
31.03.2014	31.03.2013
Rs'000	Rs'000
13,400,323	14,674,543
10,436,849	9,836,401
23,837,172	24,510,944
(744,957)	(853,201)
23,092,215	23,657,743
	31.03.2014 Rs'000 13,400,323 10,436,849 23,837,172 (744,957)

9. Industry Segment Results

	<u>0100</u>	<u> 12</u>
	Year to	Year to
	31.03.2014	31.03.2013
	Rs. '000	Rs. '000
Hand Protection	905,575	1,350,359
Plantations	891,075	1,154,574
	1,796,650	2,504,933
Inter - segment results	(137,500)	(110,000)
Segment results	1,659,150	2,394,933
Finance cost	(299,787)	(348,097)
Finance income	159,883	106,939
Profit before tax	1,519,246	2,153,775

INVESTOR INFORMATION

	31.03.2014 Rs.	31.03.2013 Rs.
Market Value of Shares		
The market value of an ordinary share of Dipped Products PLC was as follows.		
Closing price on	87.10	111.00
Highest price recorded for the year ending	134.00	120.00
Lowest price recorded for the year ending	86.00	84.00
Highest price recorded for the three months ending	90.10	120.00
Lowest price recorded for the three months ending	86.00	100.10
Market Capitalisation (Rs. M)	5,214	6,645
Ratios		
Net assets per share at the year end*	122.40	114.34
Price earnings ratio annualised (times)	6.6	4.7
Share Trading information from April 1, 2013 to March 31, 2014		
Number of transactions	1,682	1,339
Number of shares traded	1,665,969	2,346,207
Value of shares traded (Rs.)	174,842,349.80	249,780,146.40

Dividend Payments

Final dividend 2012/13 Rs.3.00 per share paid on 08.07.2013 Interim dividend 2013/14 Rs.2.50 per share paid on 31.03.2014

First twenty shareholders as at March 31, 2014

	Shareholder	No.of Shares as at March 31, 2014	%
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	Promar Overseas SA	4,080,516	6.82
5	Haycarb PLC	4,068,746	6.80
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	500,673	0.84
11	Seylan Bank PLC /Symphony Capital Ltd	478,145	0.81
	Waldock Mackenzie Ltd/Symphony Capital Ltd	6,000	0.01
12	Dr.D.Jayanntha	415,000	0.69
13	Mr. N. G. Wickremeratne	393,204	0.66
14	Renuka Properties Limited	324,934	0.54
15	Hallsville Trading Group Inc.	204,024	0.34
16	HSBC International Nominees Ltd-SSBT Deustche Bank AG Singapore A/C No.01	200,044	0.33
17	Commercial Bank Of Ceylon PLC A/C No. 04	200,000	0.33
18	Mr. D.F.G. Dalpethado & Mrs. H.A.K.D. Dalpethado	185,844	0.31
19	Mr.S.Krishnananthan	163,044	0.27
19	Mount Lavinia Hotel (Pvt) Ltd	150,000	0.25
	TOTAL	52,093,734	87.02

The percentage of shares held by public as per Colombo Stock Exchange Rules as at March 31, 2014 was 42.39%.

Directors' shareholding as at March 31, 2014

Name of Director	No.of Shares as at March 31, 2014
Mr.A.M.Pandithage	-
Dr.K.I.M.Ranasoma	300
Mr. R.K.Witanachchi - Deputy Managing Director (Appointed w.e.f.01.01.2014)	2,112
Mr.F.Mohideen	-
Mr.K.A.L.S.Fernando	56,264
Mr.L.G.S.Gunawardena (Resigned w.e.f.28.02.2014)	-
Mr.S.C.Ganegoda	-
Mr.Dhammika Perera*	1,000
Mr.M.Bottino	-
Mr.V.R.Gunasekara	-
Mr.S. Rajapakse	-
Ms. D.S.N.Weerasooriya - Alternate to Mr.Dhammika Perera	-
TOTAL	59,676

^{*} Mr.Dhammika Perera holds 48.38% directly and indirectly of the total issued shares of Hayleys PLC which holds 24,910,938 shares in Dipped Products There were no non-voting shares as at March 31, 2014.

^{*}Computed based on 59,861,512 shares on issue as at March 31, 2014