
**KITCHEN GRACE (INDIA)
PRIVATE LIMITED**

BOARD OF DIRECTORS

Shri Pragyan Kumar Chairman

Shri Snehal Vasani Managing Director

Shri Rajesh Ahuja Director

AUDITORS

M/s. L.B. Bapat & Associates, Chartered Accountants (Registration No. 101000W)

REGISTERED OFFICE

Village Dhanore, Gut No.116, Alandi Markal Road, Taluka Khed, Dhanore – 412 105

Directors' Report

For the year ended 31st March, 2015

Dear Members,

Kitchen Grace (India) Private Limited

Your Directors have pleasure in presenting the Seventeenth Annual Report of your Company and the Audited financial statements for the financial year ended 31st March, 2015.

FINANCIAL PERFORMANCE

The financial performance of your Company for the year ended 31st March, 2015 is summarized below:-

(₹. In Lacs)		
Particulars	Year Ended 31 st March 2015	Year Ended 31st March 2014*
Revenue from Sale of Goods and Services (Net of Discounts and Excise Duty)	235.65	1526.29
Other Operating Revenue	729.79	56.60
Other Income	116.03	10.65
Total Revenue	1081.47	1593.54
Expenses	701.81	1391.78
Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)	379.66	201.76
Less: Finance Costs	22.32	95.83
Less: Depreciation and Amortisation Expenses	134.09	(93.39)
Profit before Tax	223.25	199.32
Provision for Tax		
- Short/ (Excess)	-	-
- Deferred Tax	-	160.32
Profit after tax	223.25	39.00

*Previous year figures have been regrouped/rearranged wherever necessary.

OVERVIEW OF THE COMPANY'S PERFORMANCE AND STATE OF AFFAIRS

The Net revenue from Operations has decreased to Rs.965.44 lakhs as against Rs. 1582.89 lakhs in the previous year and the profit after tax for the current year is Rs. 223.25 lakhs as against a profit of Rs. 39 lakhs in the previous year. The Company has changed the strategy of manufacturing and selling to toll manufacturing for its parent company, which has resulted in higher EBITDA compared to last year.

The Company has, during the course of the year, taken several initiatives to streamline the businesses, bring in operational efficiencies and be in a position to achieve scalability.

The Company has improvised the processes and mechanization in factory. It imported and installed 2 new machines - Beam Saw and CNC. They are highly productive and precise and wastage has been reduced by 10%. Special training has been provided to the staff to use these 'skilled' machines. Various multitasking activities with proper planning with the workers has lead to increase in output by 20%. A revamp of the Factory area together with the new machines has led to increase in production capacity by Rs.2 cr. p.a.

Further, the Board of Directors of the Company, at their meeting held on 14th January, 2015, have approved a scheme of amalgamation of Kitchen Grace (India) Private Limited with the Parent Company Sleek International Private Limited, pursuant to the provisions of sections 391 to 394 and other applicable provisions, if any, of the Companies Act, 1956 and other applicable provisions of Companies Act, 2013 and subject to receipt of all necessary consents and approvals including the approval of the shareholders and creditors of the Company as may be required and the sanction of the Hon'ble High Court of Judicature at Bombay ("High Court") or such other competent authority as may be applicable. The appointed date for the said amalgamation is proposed as 1st April, 2015. The Company is in the process of filing the required scheme with the High Court.

During the previous year (i.e. FY 2013-14), Sleek International Pvt. Ltd. ("SIPL") acquired a controlling stake in the Company and the Company became a subsidiary of SIPL with effect from 21st June 2013. The stake held by SIPL in the Company as on 31.03.14 was 86.01%. Further, during the current year, SIPL bought the remaining 13.99% stake from the Promoter, Mr. Snehal Kishorlal Vasani, thus making the Company a 100% subsidiary of SIPL with effect from 1st January 2015.

Further, there are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

Also, there has been no change in the nature of business during Financial Year 2014-15.

DIVIDEND

Your Directors do not recommend payment of dividend for the financial year ended 31st March, 2015.

INDUSTRIAL RELATIONS

During the year under review, industrial relations at the Company's unit continued to remain cordial and peaceful.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

There are adequate internal controls commensurate with the size of the Company and the nature of the business with regard to purchase of inventories and fixed assets and with regard to sale of goods and services and other operations of the Company.

COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

During the Financial Year 2014-15, there were no companies which became or ceased to be subsidiaries, joint ventures or associate companies of the Company.

FINANCIAL POSITION AND PERFORMANCE OF SUBSIDIARY COMPANY

The Company does not have any subsidiaries.

DIRECTORS/ KMPs

- In accordance with Section 152 of the Companies Act, 2013, Shri Pragyan Kumar retires at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Your Directors recommend his re-appointment as a Non – Executive Director of the Company.
- The Company had filed an application with the Central Government under Section 269 read with Schedule XIII of the Companies Act 1956, seeking approval for appointment of Shri. Snehal Vasani as Managing Director of the Company for a period of 3 years w.e.f. 8th August 2013 to 7th August 2016. The said application was approved by the Central Government vide its letter dated 14th August 2014 at a total remuneration not exceeding Rs.14.70 lacs per annum for a period from 8th August 2013 to 31st March 2014.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. the accounting policies as mentioned in Note 1 to the Notes to the financial statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at 31st March, 2015 and profit and loss of the company as on that date;
- c. proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts have been prepared on a going concern basis;
- e. proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

MEETINGS OF THE BOARD:

The Company prepares a calendar of meetings of the Board in advance so as to allow the Directors to block their calendars.

During the financial year ended 31st March, 2015, Seven (7) meetings of the Board of Directors were held and the maximum time gap between two (2) meetings did not exceed one hundred and twenty days.

The dates of the Board meetings are as under:

Date(s) on which meeting(s) were held	
1. 2 nd May 2014	6. 14 th January 2015
2. 7 th May 2014	7. 16 th March 2015
3. 14 th July 2014	
4. 10 th October 2014	
5. 1 st January 2015	

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions have been sanctioned at a meeting of the Board of Directors.

The details of the related party transactions are set out in Note 38 to the financial statements forming part of this Annual Report.

The Form AOC- 2 pursuant to clause (h) of sub-section 3 of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as "Annexure [1]".

AUDITORS

At the 16th Annual General Meeting of your Company, M/s. L.B. Bapat & Associates, Chartered Accountants (Registration No. 101000W) were appointed as the Statutory Auditors to hold office till the conclusion of the 17th Annual General Meeting.

M/s. L.B. Bapat & Associates, Chartered Accountants, who retire at the ensuing Annual General Meeting of your Company, are eligible for re-appointment. Your Company has received written consent and a certificate that they satisfy the criteria provided under Section 141 of the Companies Act, 2013 and that the appointment, if made, shall be in accordance with the applicable provisions of the Companies Act, 2013 and rules issued thereunder.

Pursuant to Section 139(1) of the Companies Act, 2013, the Board of Directors recommends the appointment of M/s. L.B. Bapat & Associates, Chartered Accountants, as the Statutory Auditors of your Company for a period of 5 years, from the conclusion of the ensuing 17th Annual General Meeting till the conclusion of the 22nd Annual General Meeting subject to ratification by the shareholders at each Annual General Meeting to be held hereafter.

There are no qualifications, reservations or adverse remarks made by the auditors in their report. The Company has not received any report for frauds noticed or acknowledged by the Auditors during Financial Year 2014-15.

PARTICULARS OF EMPLOYEES

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of The Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CONSERVATION OF ENERGY

(i) Steps taken or impact on conservation of energy:

The manufacturing units of the Company continue their efforts to reduce the specific energy consumption. Apart from regular practices and measures for energy conservation, many new initiatives were taken and implemented. Further your Company has redesigned complete DUST collection system to save and conserve energy and to create a better environment for production.

(ii) Steps taken by the Company for utilising alternate sources of energy:

The Company has installed LED Lights in place of Metal Lights. This has led to 40% savings in energy consumption.

(iii) Capital investment on energy conservation equipments:

The Company has incurred a cost of around Rs.21 Lacs for installing LED Lights and Dust Collection Systems.

TECHNOLOGY ABSORPTION

(i) Efforts made towards technology absorption:

The Company has procured Beamsaw and CNC machines which are capable of increasing productivity.

(ii) Benefits Derived:

The new machines have reduced wastage. The speed of delivery has increased resulting into improvement in productivity.

(iii) Your Company has not imported any technology and has not entered into any technology transfer agreement.

(iv) The Company has not incurred any expenditure on Research and Development.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

As required under Section 134(3)(m) of the Companies Act, 2013, read with The Companies (Accounts) Rules, 2014, the particulars in respect foreign exchange earnings and outgo are mentioned herein below:

Foreign Exchange Earnings:

(in ₹ Lacs)

	2014-15	2013-14
Export of Goods at FOB value	-	10.94

Foreign Exchange Outgo:

CIF value of Imports:

(in ₹ Lacs)

	2014-2015	2013-2014
Raw Material	15.77	66.64

Value of Imported Raw Materials:

(in ₹ Lacs)

	2014-15	2013-14
Raw materials Imported (including value of consumption of imported raw materials purchased through indigenous sources)	15.77	58.39

Expenditure in foreign currency:

(in ₹ Lacs)

	2014-15	2013-14
a. Travelling and Other Expenses	1.94	3.20
b. Repairs to Plant & Machinery	8.19	NIL
Total	10.13	3.20

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments, if any, covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

RISK MANAGEMENT POLICY

The Management of the Company reviews strategic and operational performance on a monthly basis. Major risks facing the Company as well as internal audit observations are also discussed at these reviews and action plans are framed accordingly. During the year, the senior management team has also undergone training on risk management framework, organized by Asian Paints Limited, the Parent Company.

SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2015 was Rs.1,39,02,220/- (Rupees One Crore Thirty Nine Lacs Two Thousand Two Hundred and Twenty Only). During the year under review, the Company has not issued any shares with differential voting rights nor has it granted stock options or issued any sweat equity.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT- 9 are annexed herewith as "Annexure –[2]".

COST AUDITORS

Your Company is not required to maintain cost records as per the Companies (Cost Records and Audit) Amendments Rules, 2014

GENERAL

No reporting or disclosures are required on the below mentioned matters as the same are not applicable to the Company during Financial Year 2014-15. The Company does not fall within the prescribed class of companies as specified in the relevant sections of the Act and rules made thereunder:

- Declaration by Independent Directors under Section 149(6) of Companies Act, 2013
- Audit Committee under Section 177 of the Companies Act 2013 read with Rule 6 of Companies (Meetings of the Board and its Powers) Rules, 2014
- Nomination and Remuneration Committee under Section 178 of the Companies Act 2013 read with Rule 6 of Companies (Meetings of the Board and its Powers) Rules, 2014
- Policy on corporate social responsibility under Section 135 of Companies Act 2013 read with Rule 9 of Companies (Accounts) Rules, 2014
- Secretarial Audit Report Section 204 of the Companies Act 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

No reporting or disclosures are required on the below mentioned matters as there are no transactions related thereto during the financial year 2014-15:

- No orders have been passed by the regulators or courts or tribunals which would have an impact on the going concern status of the Company and its future operations.
- The Company has not accepted any deposits within the meaning of Sections 73 and 74 of the Companies Act, 2013, read together with the Companies (Acceptance of Deposit) Rules, 2014.
- There are no cases filed pursuant to the Sexual Harassment Of Women At Workplace (Prevention, Prohibition & Redressal) Act, 2013

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation for the contribution made and the support extended by its employees, bankers, vendors, customers and other stakeholders. Your Directors also acknowledge the support and assistance received from Asian Paints Limited, the Parent Company and all its employees for their contribution during the year.

FOR AND ON BEHALF OF THE BOARD

PRAGYAN KUMAR
Chairman

Date: 30/04/2015

Place: Mumbai

ANNEXURE [1] TO BOARD'S REPORT

FORM AOC – 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

(a)	Name(s) of the related party and nature of relationship	NIL
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts / arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	date(s) of approval by the Board	
(g)	Amount paid as advances, if any:	
(h)	Date on which the special resolution was passed	
(i)	Amount paid as advances, if any:	
(j)	Date on which (a) the special resolution was passed in general meeting as required under first proviso to section 188	

2. Details of material contracts or arrangement or transactions at arm's length basis

(a)	Name(s) of the related party and nature of relationship	NIL
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts / arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	
(e)	Date(s) of approval by the Board, if any:	
(f)	Amount paid as advances, if any:	

For and on behalf of the Board

PRAGYAN KUMAR
Chairman

Date: 30th April, 2015

Place: Mumbai

Extract of Annual Return

Form No. MGT-9

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:-	U29299PN1998PTC012659		
ii)	Registration Date	01	07	1998
		Date	Month	Year
iii)	Name of the Company	Kitchen Grace (India) Private Limited		

iv)	Category of the Company: - [Pl. tick]	
1	Public Company	
2	Private company	√ (However, it is a subsidiary of a Public Company's subsidiary)

Sub Category of the Company:- [Please tick whichever are applicable]

1	Government Company	
2	Small Company	
3	One Person Company	
4	Subsidiary of Foreign Company	
5	NBFC	
6	Guarantee Company	
7	Limited by shares	
8	Unlimited Company	
9	Company having share capital	√
10	Company not having share capital	
11	Company Registered under Section 8	

v) Address of the Registered Office and Contact Details:

Company Name	Kitchen Grace (India) Private Limited
Address	Village Dhanore, Gut No.116, Alandi Markal Road
Town / City	Taluka Khed, Dhanore
State	Maharashtra
Pin Code	412105
Country Name	India
Country Code	IN
Telephone with STD Area Code Number	02135 305771
Fax Number	02135 305771
Email Address	info@kitchengrace.com
Website, if any	www.kitchengrace.com
Name of the Police Station having jurisdiction where the registered office is situated	Alandi Police Station

vi) Whether shares listed on recognized Stock Exchange(s)	No
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vii) Name and Address of Registrar & Transfer Agents (RTA)	NA
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II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company are stated below:

S. No.	Name and Description of main products /services	NIC Code of the Product/service	% to total turnover of the company
1	Modular Kitchens and their components	51393/52333	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

[No. of Companies for which information is being filled] - 2

S. No.	Name and Address of The Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares Held	Applicable Section
1.	Asian Paints Limited	L24220MH1945PLC004598	Ultimate Holding Company	0.00%	2(87)(ii)
2.	Sleek International Private Limited	U31300MH1993PTC070859	Holding Company	100%	2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	----	194450	194450	13.99	----	----	----	----	(13.99)
b) Central Govt	----	----	----	----	----	----	----	----	----
c) State Govt (s)	----	----	----	----	----	----	----	----	----
d) Bodies Corp.	----	1195772	1195772	86.01	----	1390222	1390222	100	13.99
e) Banks / FI	----	----	----	----	----	----	----	----	----
f) Any Other....	----	----	----	----	----	----	----	----	----
Sub-total (A) (1):-	----	1390222	1390222	100.00	----	1390222	----	100.00	----
(2) Foreign									
a) NRIs - Individuals	----	----	----	----	----	----	----	----	----
b) Other – Individuals	----	----	----	----	----	----	----	----	----
c) Bodies Corp.	----	----	----	----	----	----	----	----	----
d) Banks / FI	----	----	----	----	----	----	----	----	----
e) Any Other....	----	----	----	----	----	----	----	----	----
Sub-total (A) (2):-	----	----	----	----	----	----	----	----	----
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	----	1390222	1390222	100	----	1390222	1390222	100.00	
B. Public Shareholding									
(2) Institutions									
a) Mutual Funds	----	----	----	----	----	----	----	----	----
b) Banks / FI	----	----	----	----	----	----	----	----	----
c) Central Govt.	----	----	----	----	----	----	----	----	----
d) State Govt(s)	----	----	----	----	----	----	----	----	----
e) Venture Capital Funds	----	----	----	----	----	----	----	----	----
f) Insurance Companies	----	----	----	----	----	----	----	----	----
g) FII	----	----	----	----	----	----	----	----	----
h) Foreign Venture Capital Funds	----	----	----	----	----	----	----	----	----
i) Others (specify)	----	----	----	----	----	----	----	----	----
Sub-total (B)(1):-	----	----	----	----	----	----	----	----	----
2. Non-Institutions									
a) Bodies Corp.	----	----	----	----	----	----	----	----	----
i) Indian	----	----	----	----	----	----	----	----	----
ii) Overseas	----	----	----	----	----	----	----	----	----
b) Individuals	----	----	----	----	----	----	----	----	----
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	----	----	----	----	----	----	----	----	----
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	----	----	----	----	----	----	----	----	----
c) Others (specify)	----	----	----	----	----	----	----	----	----
Sub-total (B)(2):-	----	----	----	----	----	----	----	----	----
Total Public Shareholding (B)=(B)(1)+ (B)(2)	----	----	----	----	----	----	----	----	----
C. Shares held by Custodian for GDRs & ADRs	----	----	----	----	----	----	----	----	----
Grand Total (A+B+C)	----	1390222	1390222	100	----	1390222	1390222	100	----

B. Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change In share Holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Snehal K Vasani	194450	13.99	----	----	----	----	(13.99)
2	Sleek International Private Limited	1195772	86.01	----	1390222	100.00	----	13.99
	Total	1390222	100.00	----	1390222	100.00	----	----

C. Change in Promoters' Shareholding

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Snehal K Vasani				
	At the beginning of the year	194450	13.99	194450	13.99
	Date: 01.01.2015				
	Decrease in Shareholding during the year	(194450)	(13.99)	NIL	0.00
	Reasons for Decrease: Transfer (Sale)				
	At the end of the year	NIL	0.00	NIL	0.00
2.	Sleek International Private Limited				
	At the beginning of the year	1195772	86.01	1195772	86.01
	Date: 01.01.2015				
	Increase in Shareholding during the year	194450	13.99	1390222	100.00
	Reasons for Increase: Transfer (Purchase)				
	At the end of the year	1390222	100.00	1390222	100.00

D. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): NA**E. Shareholding of Directors and Key Managerial Personnel:**

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Snehal K Vasani				
	At the beginning of the year	194450	13.99	194450	13.99
	Date: 01.01.2015				
	Decrease in Shareholding during the year	(194450)	(13.99)	NIL	0.00
	Reasons for Decrease: Transfer (Sale)				
	At the End of the year	NIL	0.00	NIL	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4.46	411.43	----	415.89
ii) Interest due but not paid	----	----	----	----
iii) Interest accrued but not due	----	----	----	----
Total (i+ii+iii)	4.46	411.43	----	415.89

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Change in Indebtedness during the financial year				
• Addition	----	----	----	----
• Reduction	0.89	239.37	----	240.26
Net Change	0.89	239.37	----	240.26
Indebtedness at the end of the financial year				
i) Principal Amount	3.57	172.06	----	175.63
ii) Interest due but not paid	----	----	----	----
iii) Interest accrued but not due	----	----	----	----
Total (i+ii+iii)	3.57	172.06	----	175.63

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ In Lacs)

S. No.	Particulars of Remuneration	Name of MD/ WTD/Manager	Total Amount
		Snehal K Vasani	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		24.52
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		0.39
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2	Stock Option	----	----
3	Sweat Equity	----	----
4	Commission		
	- as % of profit		----
	- others, specify...		
5	Others, please specify		----
	Total (A)		24.91
	Ceiling as per the Act		42.00

B. Remuneration to Other Directors

No remuneration has been paid to other Directors

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

Your Company is not required to appoint Key Managerial Personnel since it did not fall within the prescribed class of companies as specified under Section 203 of the Companies Act 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Accordingly, this clause is not applicable to the Company.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES (under the Companies Act, 2013):

No penalties/punishment/compounding of offences were levied under Companies Act, 2013.

Independent Auditors' Report

To the Members of Kitchen Grace (India) Private Limited Report on the financial statements

We have audited the accompanying financial statements of Kitchen Grace (India) Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2015 and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and the cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment,

including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015, and its Profit and its cash flows for the year ended as on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable

As required by Section 143(3) of the Act, we report that:

- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
- (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014

- (e) on the basis of written representations received from the directors as on 31 March 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015 from being appointed as a director in terms of Section 164(2) of the Act
- (f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial positions in its financial statements – Refer notes 26 and 35 to the financial statements;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **L. B. Bapat & Associates**
Chartered Accountants

L. B. Bapat
Proprietor
Membership No. 033860

Pune
30 April 2015

Annexure to the Independent Auditors' Report – 31 March 2015

(Referred to in our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all the fixed assets are verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed upon such verification during the year.
- (ii) (a) The Inventory, except stocks lying with third parties, has been physically verified by management during the year. In our opinion, the frequency of such verification is reasonable. For all stocks lying with third parties at the year end, written confirmations have been obtained.
- (b) The procedures for physical verification of inventory followed by management are reasonable and adequate in relation to the size of the Company and the nature of its business. (c) The Company has maintained proper records of inventory. The discrepancies noticed during the physical verification of inventories as compared to book records were not material and have been dealt within the books of account.
- (iii) The Company has not granted any secured / unsecured loan to any of the companies covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').
- (iv) In our opinion and according to information and explanation given to us, and having regard to the explanation receipt of certain services are for the specialised requirements to the Company and suitable alternative sources are not available to obtain comparable quotations, there is an adequate internal control commensurate with the size of the Company and the nature of the business with regard to purchase of inventories and fixed assets and with regard to sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) The Company is not required to maintain cost records under the provisions of the Companies Act 2013.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax / Value added tax, Excise duty, Service tax, Customs duty and other material statutory dues have been regularly deposited during the year with the appropriate authorities by the Company. As explained to us, the Company did not have any dues on account of Cess and Wealth tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income tax, Sales tax / Value added tax, Excise duty, Service tax, Customs duty and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Provident Fund, Income tax, Excise duty and Customs duty which have not been deposited with the appropriate authorities on account

of dispute. According to information and explanation given to us, the following dues of sales tax have not been deposited by the Company on account of disputes.

Name of the Statute	Nature of dues	Financial Year	Amount under dispute in Rupees (₹ In Lakhs)	Amount paid under protest (₹ In Lakhs)	Forum where dispute is pending
Maharashtra Value Added Tax Act, 2002	Assessment Dues	2003-04	60.57	4.00	First Appellate
		2004-05	3.29	-	First Appellate
		2005-06	18.93	2.62	First Appellate
		2007-08	43.05	5.00	First Appellate
		2008-09	28.19	2.55	Assessing Officer
		2009-10	18.64	-	Assessing Officer
		2010-11	6.08	-	Assessing Officer
		2011-12	13.53	-	Assessing Officer
		Total	192.27	14.17	

(c) According to the information and explanations given to us, there are no dues of Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956.

(xi) The Company has not raised any Term loans during the year

(xii) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

(viii) The Company does not have accumulated losses at the end of the financial year and has not incurred cash loss in the current financial year and in the immediate preceding financial year.

(ix) The Company has not defaulted in repayment of any dues to any financial institutions, banks or debenture holders during the year.

(x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

L. B. Bapat
Proprietor
Membership No. 033860
Pune
30 April 2015

or **L. B. Bapat & Associates**
Chartered Accountants
Firm's Registration No. 101000W

Balance Sheet

As on 31st March, 2015

	Notes	As at (₹ In Lacs)	
		31.03.2015	31.03.2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	139.02	139.02
Reserves and Surplus	3	1,089.11	865.85
		1,228.13	1,004.88
NON CURRENT LIABILITIES			
Long Term Borrowings	4	90.03	103.85
Deferred Tax Liability (Net)	5	-	-
Other Long Term Liabilities	6	13.38	44.81
Long Term Provisions	7	27.95	4.74
		131.36	153.41
CURRENT LIABILITIES			
Short Term Borrowings	8	70.00	300.00
Trade Payables	9	17.96	67.50
Other Current Liabilities	10	86.47	177.98
Short Term Provisions	7	10.74	32.93
		185.16	578.40
Total		1,544.65	1,736.69
ASSETS			
NON CURRENT ASSETS			
Fixed Assets			
Tangible Assets	11 A	1,158.89	1,145.64
Intangible Assets	11 B	0.48	1.07
Capital work-in-progress		-	-
Intangible assets under development		7.12	7.12
		1,166.49	1,153.83
Goodwill on consolidation		-	-
Non-current Investments	12	-	-
Deferred Tax Assets (Net)	5	-	-
Long Term Loans and Advances	13	97.70	38.72
Other Non Current Assets	14	10.59	10.59
CURRENT ASSETS			
Current Investments	15	-	113.45
Inventories	16	26.26	47.28
Trade Receivables	17	158.58	296.83
Cash and Bank Balances	18	43.51	55.01
Short Term Loans and Advances	13	24.43	20.69
Other Current Assets	19	17.11	0.29
		269.87	533.54
Total		1,544.65	1,736.69
Significant Accounting Policies	1		
Notes are an integral part of the financial statements.			

As per our report of even date

For **L B Bapat & Associates**

Chartered Accountants

F.R.N. 101000W

L.B. Bapat

Proprietor

Membership No. 33860

Pune

Date: 30th April, 2015

For and on behalf of the Board

Snehal K. Vasani

Managing Director

Pragyan Kumar

Director

Rajesh Ahuja

Director

Mumbai

Date: 30th April, 2015

Statement of Profit and Loss

For the year ended 31st March 2015

		(₹ In Lacs)	
	Notes	Year 2014-15	Year 2013-14
INCOME			
Revenue from sale of goods and services (Net of discounts)	20 A	253.84	1,737.14
Less: Excise duty		18.19	210.85
Revenue from sale of goods and services (Net of discounts and excise duty)		235.65	1,526.29
Other Operating Revenue	20 B	729.79	56.60
Other Income	21	116.03	10.65
TOTAL REVENUE (I)		1,081.47	1,593.54
EXPENSES			
Cost of Materials Consumed	22A	151.54	535.12
Purchases of Stock-in-Trade	22B	11.23	235.47
Changes in inventories of finished goods, work in progress and stock-in-trade	22C	5.34	56.74
Employee Benefits Expense	23	256.16	201.97
Other Expenses	24	277.53	362.48
Total (II)		701.81	1,391.78
EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA) (I) - (II)		379.66	201.76
Depreciation and Amortisation Expense	11	134.09	(93.39)
Finance Costs	25	22.32	95.83
Profit / (Loss) before tax		223.25	199.32
Less : Tax Expenses			
Current Tax (MAT)		36.91	25.40
Less: MAT credit entitlement		(36.91)	(25.40)
Net Current Tax		-	-
Deferred Tax	5	-	160.32
Total Tax Expenses		-	160.32
PROFIT / (LOSS) AFTER TAX		223.25	39.00
Loss per share (Rs) Basic and diluted (Face value of ₹ 10 each)	32	16.06	3.62
No. of Shares used in computing EPS			
Significant Accounting Policies	1		
Notes are an integral part of the financial statements.			

As per our report of even date
For **L B Bapat & Associates**
Chartered Accountants
F.R.N. 101000W

L.B. Bapat
Proprietor
Membership No. 33860

Pune
Date: 30th April, 2015

For and on behalf of the Board
Snehal K. Vasani
Managing Director

Pragyan Kumar
Director

Rajesh Ahuja
Director

Mumbai
Date: 30th April, 2015

Notes to the financial Statements

For the year ended 31st March 2015

1 Significant Accounting Policies

1.1. Basis of preparation of financial statements

(a) Basis of Accounting:

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP') and comply with the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, under Section 211 (3C) of the Companies Act, 1956 read with Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and relevant provisions of Companies Act, 1956 to the extent applicable.

(b) Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of income and expenses during the period.

(c) Current/Non Current Classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. it is expected to be realized or settled or is intended for sale or consumption in the company's normal operating cycle;
- ii. it is expected to be realized or settled within twelve months from the reporting date;
- iii. in the case of an asset,
 - it is held primarily for the purpose of being traded; or
 - it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date
- iv. in the case of a liability, the company does not have an unconditional right to defer settlement of the liability for at least twelve months from the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current / non-current classification of assets and liabilities, the company has ascertained its normal operating cycle as 12 months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

1.2. Tangible and Intangible Assets

(a) Tangible Fixed Assets

Tangible fixed assets are carried at the cost of acquisition or construction, less accumulated depreciation. The cost of fixed assets includes taxes (other than those subsequently recoverable from tax authorities), duties, freight and other directly attributable costs related to the acquisition or construction of the respective assets. Expenses directly attributable to new manufacturing facilities during their construction period are capitalized. Know-how related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant asset heads. Profit or Loss on disposal of tangible assets is recognised in the Statement of Profit and Loss.

(b) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any. Profit or Loss on disposal of intangible assets is recognised in the Statement of Profit and Loss.

(c) Capital Work in Progress & Capital Advances

Cost of Assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Long Term Loans & Advances.

(d) Depreciation and Amortisation:

Depreciation on all fixed assets is provided under Straight Line Method. The rates of depreciation prescribed in Schedule II to the Companies Act, 2013 are considered as the minimum rates. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life. Pursuant to this policy, depreciation on

Notes to the financial Statements

For the year ended 31st March 2015

following assets have been provided at rates which are higher than the corresponding rates prescribed in Schedule II - (Note -Previous Year figures provide similar information where rates considered were higher than corresponding rates prescribed in Schedule XIV of the Companies Act, 1956) –

Assets	Useful Life in years - FY 14-15	Useful Life in years - FY 13-14
Office Equipment	5	5
Furniture & fittings	8	8
Display Kitchens	5	5
Computer hardware	As per Schedule II	4
Vehicle	5	5

Assets costing less than Rs 5,000/- are fully charged to the statement of profit and loss in the year of acquisition. Leasehold land is amortised over the primary period of lease.

Purchase cost, user license fees and consultancy fees for major software are amortised over a period of 4 years.

(e) Assets Held for Sale:-

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the profit and loss statement

(f) Impairment

At Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Company's assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

An assessment is also done at each Balance Sheet date whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. If any such indication exists the asset's recoverable amount is estimated. The carrying amount of the fixed asset is increased to the revised estimate of its recoverable amount but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of impairment

loss is recognised in the statement of Profit and Loss for the year.

After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the fixed asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on straight line basis over its remaining useful life.

1.2. Revenue Recognition

Revenue from sale of goods is recognised on transfer of all significant risks and rewards of ownership to the buyer. The amount recognised as sale is exclusive of sales tax/VAT and are net of returns and discounts. Sales are stated gross of excise duty as well as net of excise duty; excise duty being the amount included in the amount of gross turnover. The excise duty related to the difference between the closing stock and opening stock is recognised separately as part of changes in inventories of finished goods, work in progress and stock in trade.

Revenue from service is recognised on rendering of services to customers.

Processing income is recognised on accrual basis as per contractual arrangements.

Dividend income is recognised when the right to receive payment is established.

Interest income is recognised on the time proportion basis.

1.3. Lease Accounting

Assets taken on operating lease:

Lease rentals on assets taken on operating lease are recognised as expense in the Statement of Profit and Loss on an accrual basis over the lease term.

1.4. Inventory

(a) Raw materials, work in progress, finished goods and packing materials, are carried at the lower of cost and net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis. Damaged, unserviceable and inert stocks are valued at net realizable value.

(b) In determining cost of raw materials, packing materials and finished goods weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs

Notes to the financial Statements

For the year ended 31st March 2015

incurred in bringing the inventory to their present location and condition.

Cost of manufactured finished goods and work-in-progress includes the cost of raw materials an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

1.5. Investments

Investments are classified into current and long-term investments. Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments.

Current investments are stated at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments.

Long-term investments are stated at cost. A provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is recognized in the Statement of Profit and Loss.

1.6. Transactions in Foreign Currency

(a) Initial recognition:

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the statement of profit and loss.

(b) Measurement of foreign currency items at the Balance Sheet date:

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

(c) Forward exchange contracts:

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/income over the life of the contract. Exchange differences on such contracts are recognized in the Statement of Profit and Loss in

the period in which the exchange rates change. Any Profit or Loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or expense for the period.

1.7. Trade receivables

Trade receivables are stated after writing off debts considered as bad. Adequate provision is made for debts considered doubtful. Discounts due, yet to be quantified at the customer level are included under Other Current Liabilities.

1.8. Employee Benefits

A. Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

B. Post-employment benefits:

(a) Defined contribution plans

Defined contribution plans are Employee State Insurance Scheme and Government administered Provident and Pension Fund scheme for all applicable employees. The Company's contribution to defined contribution plans are recognised in the Statement of Profit and Loss in the financial year to which they relate.

(b) Defined benefit plan: Gratuity scheme (Funded)

The Company provides a defined benefit gratuity plan for employees as per the requirements of the Payment of Gratuity Act, 1972 wherein the funds are managed by LIC of India towards meeting the Gratuity obligation.

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each Balance Sheet date. Past service cost is recognized immediately to the extent that the benefits are already vested, else is amortised on a straight-line basis over the average period until the amended benefits become vested.

The defined benefit obligations recognized in the Balance sheet represent the present value of the defined benefit obligations as adjusted for unrecognized actuarial gains and losses and unrecognized past service costs, and as reduced by the fair value of plan assets, if applicable. Any

Notes to the financial Statements

For the year ended 31st March 2015

defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the unrecognized past service cost plus the present value of available refunds and reductions in future contributions to the plan.

The entire liability towards gratuity is considered as current as the Company will contribute this amount to the gratuity fund within the next 12 months.

(c) Other long term employee benefits

Entitlements to annual leave are recognized when they accrue to employees. Annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date.

The company presents this liability as current and non-current in the balance sheet as per actuarial valuation by the independent actuary.

1.9. Research and Development

Research expense is recognized as an expense as and when it is incurred.

Expenditure incurred on fixed assets used for research and development is capitalized and depreciated in accordance with the depreciation policy of the Company and is disclosed separately.

1.10. Provision for Taxation

Tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each Balance Sheet date to reassess realisation.

1.11. Provisions and Contingencies

The Company creates a provision when there exists a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources.

When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

1.12. Earnings Per Share

The Basic and Diluted Earnings Per Share ("EPS") is computed by dividing the profit after tax for the year by weighted average number of equity shares outstanding during the year.

1.13. Proposed Dividend

Dividend recommended by the Board of directors is provided for in the accounts, pending approval at the Annual General Meeting.

1.14. Borrowing Cost

Borrowing cost includes Interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized. All other borrowing costs are expensed in the period they occur.

1.15. Cash and Cash Equivalents

Cash and cash equivalents include cash & cheques in hand, bank balances, demand deposits with banks and other short-term highly liquid investments where the original maturity is three months or less.

1.16. Government Grants and Subsidies

Grants in the nature of subsidy which are non-refundable are credited to the Statement of Profit and Loss on accrual basis. Grants in the nature of subsidy which are refundable are shown as Liabilities in the Balance Sheet.

1.17. Measurement of EBITDA

The Company has elected to present earnings before interest (finance cost), tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss for the year. The Company measures EBITDA on the basis of profit/(loss) from continuing operations.

Notes to the financial Statements

For the year ended 31st March 2015

NOTE 2 : SHARE CAPITAL

	(₹ in Lacs)	
	As at 30.03.2015	As at 30.03.2014
Authorised		
14,00,000 (Previous year 14,00,000) Equity Shares of ₹ 10/- each	140.00	140.00
	140.00	140.00
Issued, Subscribed and Paid up capital		
13,90,222 (Previous year 13,90,222) Equity Shares of ₹ 10/- each fully paid.	139.02	139.02
	139.02	139.02

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Equity Shares	31.03.2015 No. of Shares	31.03.2014 No. of Shares
At the beginning of the year	1,390,222	561,222
Add: Issued during the year (to Sleek International Private Limited)	-	829,000
Outstanding at the end of the year	1,390,222	1,390,222

b) Details of Shareholders holding more than 5% equity shares in the company

Name of Shareholders	31.03.2015	
	No of Equity Shares	% holding
Equity Shares of ₹ 10/- each		
Mr.Snehal Kishorlal Vasani	-	-
Sleek International Private Limited (Holding Company)	1,390,222	100.00
Total	1,390,222	100.00

c) Terms/rights attached to equity shares

- 1) The company has only one class of shares referred to as equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.
- 2) As per the Companies Act 2013 in case of Company, the holders of equity shares of the Company will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in the event of liquidation of the Company. However, no such preferential amount exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to the financial Statements

For the year ended 31st March 2015

NOTE 3 : RESERVES AND SURPLUS

	As at 30.03.2015	As at 30.03.2014
(a) Securities Premium		
Balance at the beginning of the year	1,016.97	270.87
Add: Premium on shares issued during the year	-	746.10
Balance at the end of the year	1,016.97	1,016.97
(b) General Reserve		
As per last Balance Sheet	10.00	10.00
(c) Surplus in Statement of Profit and Loss		
As per last Balance Sheet	(161.12)	(200.11)
Add : Net profit after tax transferred from Statement of Profit and Loss for the year	223.25	39.00
Closing balance	62.14	(161.12)
	1,089.11	865.85

NOTE 4 : LONG TERM BORROWINGS

	(₹ in Lacs)			
	Non-Current		Current	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
(a) Loan from Banks @				
Secured				
Term loan for car #	2.58	3.54	0.99	0.92
(b) Deferred payment liabilities @				
Unsecured				
Financial Institution (Sales tax deferment scheme - Maharashtra) ##	87.45	100.32	14.61	11.11
	90.03	103.85	15.60	12.03
Amount included under the head "other current liabilities" (Refer note 10)	-	-	(15.60)	(12.03)
	90.03	103.85	-	-

Notes:

Secured against the motor car

Sales tax deferral scheme - Maharashtra represents interest free loan availed under the Sales tax deferment scheme of Government of Maharashtra. This interest free loan has a deferment period of 10 years and is repayable in 5 yearly installments starting from April 2011 as per repayment schedule. The accumulated sales tax deferral loan till 31st March 2015 is ₹ 102.05 lakhs

@ Default in terms of repayment of principal and interest - NIL

Notes to the financial Statements

For the year ended 31st March 2015

Note 5: DEFERRED TAX ASSETS (NET)

	As at 30.03.2015	As at 30.03.2014
Deferred tax assets		
Accumulated losses (including unabsorbed depreciation) carried forward under Income Tax Act, 1961	106.25	146.33
Provision for expense allowed for tax purpose on payment basis	9.69	2.32
Provision for doubtful debts and advances	1.08	3.36
Total deferred tax assets	117.01	152.01
Deferred tax liabilities		
Difference between Written Down Value/Capital work in progress of fixed assets as per the books of accounts and Income Tax.	109.03	108.32
Total deferred tax liabilities	109.03	108.32
Net Deferred Tax asset	7.99	43.70
Net Deferred Tax Asset recognised*	-	-
Net Deferred tax (expense) / income for the year	-	(160.32)

* Deferred tax assets is recognised only to the extent of deferred tax liability as this amount is considered to be virtually certain of realisation.

NOTE 6. OTHER LONG TERM LIABILITIES:

	Non-Current		Current	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Retention monies relating to capital expenditure	13.38	44.81	-	-
	13.38	44.81	-	-
Amount included under the head " Other current liabilities" (Refer note 10)	-	-	-	-
	13.38	44.81	-	-

NOTE 7. PROVISIONS:

	Long term		Short term	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Provision for Employee Benefits (Refer note 36)				
Provision for Gratuity	-	-	8.83	6.21
Provision for Compensated absences	7.95	4.74	1.90	2.34
Provision for Income Tax (Net)	-	-	-	24.37
Provision for Statutory Liabilities (Refer Note 43)	20.00	-	-	-
	27.95	4.74	10.74	32.93

Notes to the financial Statements

For the year ended 31st March 2015

NOTE 8 : SHORT TERM BORROWINGS

	As at 31.03.2015	As at 31.03.2014
(b) Other loans ^ Unsecured		
Loan from Holding Company (Sleek International Private Limited) ##	70.00	300.00
	70.00	300.00

Notes:

Loan from Holding Company is repayable at interest rate of 13% p.a.

^ Default in terms of repayment of principal and interest - NIL

NOTE 9. TRADE PAYABLES

	As at 31.03.2015	As at 31.03.2014
Trade Payables (including acceptances)	17.96	67.50
(Refer note no: 34 for details of dues to Micro, Small and Medium Enterprises)	17.96	67.50

NOTE 10. OTHER CURRENT LIABILITIES

	As at 31.03.2015	As at 31.03.2014
(a) Current maturities of Long term borrowings (Refer note 4)	15.60	12.03
(b) Current portion of other Long term liabilities (Refer note 6)	-	-
(c) Other Payables		
Stautory Payables -		
Payable towards Central Sales Tax and VAT	-	27.56
Payable towards Provident Fund, Profession Tax and ESIC	2.42	2.04
Payable towards TDS under Income tax	5.02	6.06
Payable towards excise	-	20.20
Payable to Employees	24.29	7.00
Payable towards Services received	8.88	22.54
Payable towards capital expenditure	0.23	3.16
Advances received from customers	17.81	63.28
Interest payable on unsecured long term borrowings	-	-
Interest payable on unsecured short term borrowings	-	2.98
Provision for expenses	12.22	11.12
	86.47	177.98

NOTE 11. FIXED ASSETS**NOTE 11. FIXED ASSETS**

Particulars	Gross Block			Depreciation / Amortisation			Net Block	
	As at 01.04.2014	Additions during the year	Deductions / Adjustments	As at 31.03.2015	As at 01.04.2014	During the year	As at 31.03.2015	As at 31.03.2014
A. Tangible Assets :								
Building	637.62	4.09	-	641.71	93.79	21.29	526.63	543.83
Display Kitchen	5.51	-	-	5.51	3.30	2.20	0.01	2.20
Electrical Installation	66.42	9.36	-	75.78	15.18	10.54	50.06	51.25
Office Equipment	15.33	3.59	0.15	18.77	9.15	4.66	5.00	6.18
Furniture & Fixtures	49.95	44.23	-	94.18	27.33	7.86	58.98	22.62
Free hold Land	22.82	-	-	22.82	-	-	22.82	22.82
Vehicles	25.63	-	-	16.76	16.44	4.83	4.36	9.19
Plant and Machinery	668.70	84.26	-	752.97	184.05	79.52	489.39	484.65
Computer - Hardwares	25.59	0.87	-	26.46	23.05	2.52	0.90	2.54
Tools & Dies	1.15	0.45	-	1.60	0.78	0.08	0.75	0.37
Total Tangible Assets	1,518.72	146.85	9.02	1,656.55	373.08	133.50	1,158.89	1,145.64
B. Intangible Assets								
Computer software	2.95	-	-	2.95	1.88	0.59	0.48	1.07
Total (A+B)	1,521.67	146.85	9.02	1,659.50	374.96	134.09	1,159.37	1,146.71
Intangible assets under development	7.12	-	-	7.12	-	-	7.12	7.12
	1,528.79	146.85	9.02	1,666.62	374.96	134.09	1,166.49	1,153.83

NOTE 11. FIXED ASSETS

Particulars	Gross Block			Depreciation / Amortisation			Net Block	
	As at 01.04.2013	Additions during the year	Deductions / Adjustments	As at 31.03.2014	As at 01.04.2013	Change in Depreciation Policy	As at 31.03.2014	As at 31.03.2013
A. Tangible Assets :								
Building	637.62	-	-	637.62	149.83	77.34	93.79	487.79
Display Kitchen	5.51	-	-	5.51	2.48	1.43	3.30	3.03
Electrical Installation	66.42	-	-	66.42	23.02	10.99	15.18	43.41
Office Equipment	13.82	1.51	-	15.33	5.97	2.58	9.15	7.85
Furniture & Fixtures	49.64	0.31	-	49.95	27.78	10.16	27.33	21.85
Free hold Land	22.82	-	-	22.82	-	-	-	22.82
Vehicles	25.63	-	-	25.63	13.07	3.42	16.44	12.56
Plant and Machinery	703.43	3.59	38.32	668.70	259.44	127.22	184.05	444.00
Computer - Hardwares	25.59	-	-	25.59	22.81	1.45	23.05	2.77
Tools & Dies	1.15	-	-	1.15	0.59	(0.13)	0.78	0.56
Total Tangible Assets	1,551.62	5.41	38.32	1,518.72	505.00	234.47	373.08	1,046.63
B. Intangible Assets								
Computer software	2.58	0.38	-	2.95	1.67	0.67	1.88	0.90
Total (A+B)	1,554.20	5.79	38.32	1,521.67	506.67	235.14	374.96	1,047.53
Intangible assets under development	2.60	4.52	-	7.12	-	-	-	2.60

(₹ in Lacs)

Notes to the financial Statements

For the year ended 31st March 2015

NOTE 12 : NON CURRENT INVESTMENTS

(₹ in Lakhs)				
	Nos.	Face value (₹)	As at 31.03.2015	As at 31.03.2014
I. Unquoted				
A. Trade Investments:	-		-	-
B. Other Investments:	-		-	-
II. Quoted				
Other Investments	-		-	-
Total Non Current Investments (I) + (II)			-	-
Aggregate market value of Non Current Quoted Investments :			-	-

NOTE 13 : LOANS AND ADVANCES

(₹ in Lacs)				
	Long Term		Short Term	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
A. Secured and Considered good:				
B. Unsecured and Considered good:				
a) Capital advances	1.69	0.38	-	-
b) Sundry deposits	7.16	6.05	0.28	0.28
c) Other loans and advances				
i. Advances given to supplier	-	-	0.91	14.32
ii. Advance payment of Income Tax (Net)	-	-	2.68	-
iii. Balances with Government authorities				
CENVAT credit receivable	-	-	9.41	1.91
Service Tax credit receivable	-	-	-	0.15
Sales Tax receivable	22.75	6.89	-	-
iv. Loan & Advances to employees	4.53	-	3.51	1.89
v. Prepaid Expenses	-	-	7.63	2.14
vi. MAT Credit Entitlement	61.57	25.40	-	-
	97.70	38.72	24.43	20.69

NOTE 14: OTHER NON CURRENT ASSETS

(₹ in Lacs)		
	As at 31.03.2015	As at 31.03.2014
Term Deposits with bank with maturity more than twelve months (held as margin money against bank guarantee and other commitments)	10.40	10.40
Accrued interest on term deposits held as margin money	0.19	0.19
	10.59	10.59

Notes to the financial Statements

For the year ended 31st March 2015

NOTE 15 : CURRENT INVESTMENTS

(₹ in Lacs)				
	Nos	Face value (₹)	As at 31.03.2015	As at 31.03.2014
Quoted				
Investments in Mutual Funds				
Birla Sunlife Dividend Yield Plus	21,853.15	10/-	-	20.00
Franklin India FLEXI CAP FUND - G	34,061.33	10/-	-	6.34
HDFC Equity Fund - Growth F.No.2181415/54	4,132.24	10/-	-	5.49
HDFC Equity Fund - Growth F.NO.2265555/28	1,318.07	10/-	-	1.71
HDFC Equity Fund - Growth F.No.7255001/51	3,408.35	10/-	-	10.00
HDFC Prudence Fund - Growth	4,614.40	10/-	-	10.00
HDFC Tax saver Growth	1,500.71	10/-	-	1.50
HDFC Top 200 Fund - Growth	9,031.22	10/-	-	20.00
Reliance Diversified Power Sect Fund	7,439.54	10/-	-	4.02
Reliance Growth Fund - Retail Growth Plan	4,525.98	10/-	-	10.97
Reliance Regular Saving Fund - Equity	60,343.66	10/-	-	20.00
SBI Magnum Global Fund-Growth	12,079.36	10/-	-	3.01
SBI - Magnum Income Plus Fund - IP - Div	3,495.60	10/-	-	0.40
Total Quoted Current Investments			-	113.45
TOTAL CURRENT INVESTMENTS			-	113.45
Aggregate Market value of quoted current investments			-	152.99

NOTE 16: INVENTORIES

(₹ in Lacs)		
	As at 31.03.2015	As at 31.03.2014
(a) Raw materials	19.22	33.69
(b) Packing materials	0.43	0.12
(c) Finished goods	3.95	12.43
(d) Work-in-progress	2.65	1.03
	26.26	47.28

Notes to the financial Statements

For the year ended 31st March 2015

NOTE 17: TRADE RECEIVABLES

	(₹ in Lacs)	
	As at 31.03.2015	As at 31.03.2014
Unsecured		
(a) Overdue for more than six months		
Considered good	4.55	4.07
Considered doubtful	3.33	10.88
	7.88	14.95
(b) Others		
Considered good*	154.02	292.76
Considered doubtful	-	-
	154.02	292.76
	-	-
	161.90	307.71
Less: Provision for doubtful trade receivables	3.33	10.88
	158.58	296.83

* Includes the following ₹ 123.37 Lakhs receivable from holding company - Sleek International Private Limited (Previous year ₹ 238.38 Lakhs)

NOTE 18: CASH AND BANK BALANCES

	(₹ in Lacs)			
	Non - Current		Current	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
A. Cash and Cash Equivalents				
(a) Cash on hand	-	-	0.50	1.23
(b) Balances with Banks				
(i) Current Accounts	-	-	43.01	53.78
B. Other Bank Balances				
(a) Deposits with Banks with maturity more than 12 months	10.40	10.40	-	-
	10.40	10.40	43.51	55.01
Amount included under the head "Other Non Current Assets" (Refer Note 14)	(10.40)	(10.40)	-	-
	-	-	43.51	55.01

NOTE 19: OTHER CURRENT ASSETS

	(₹ in Lacs)	
	As at 31.03.2015	As at 31.03.2014
Interest accrued on sundry deposits	0.38	0.29
Other Receivables	16.73	-
	17.11	0.29

Notes to the financial Statements

For the year ended 31st March 2015

NOTE 20: REVENUE FROM OPERATIONS

	(₹ in Lacs)	
	Year 2014-15	Year 2013-14
20 (A) Revenue from sale of goods and services:		
Sale of goods:		
Home Market (Net of Returns)	216.92	1,712.24
Exports	36.93	24.90
Turnover	253.84	1,737.14
Less: Discounts	-	-
Sale of goods (Net of Discounts)	253.84	1,737.14
Total	253.84	1,737.14
20 (B) Other Operating Revenues:		
Processing and service income	727.39	55.20
Scrap sales	2.40	1.40
Total	729.79	56.60

NOTE 21: OTHER INCOME

	Year 2014-15	Year 2013-14
(a) Interest from		
(i) Term Deposits	-	0.19
(ii) Sundry Deposits	0.38	0.29
(iii) Loan to Employees	0.74	-
	1.12	0.48
(b) Dividend received from		
(i) Current investments	-	-
	-	-
(c) Profit (net) on sale of		
(i) Fixed Assets	0.94	3.76
(ii) Current Investments	86.94	-
	87.88	3.76
(d) Reversal of diminution in mutual fund value	-	5.21
(e) Other non-operating income (Refer Note 44)	27.03	1.20
	116.03	10.65

Notes to the financial Statements

For the year ended 31st March 2015

NOTE 22:

	(₹ in Lacs)	
	Year 2014-15	Year 2013-14
NOTE 22 (A) COST OF MATERIALS CONSUMED		
Raw Materials Consumed		
Opening Stock	33.69	205.59
Add : Purchases	129.79	277.25
	163.48	482.84
Less: Closing Stock	19.22	33.69
	144.26	449.15
Packing Materials Consumed		
Opening Stock	0.12	2.82
Add : Purchases	7.59	83.27
	7.71	86.09
Less : Closing Stock	0.43	0.12
	7.28	85.97
TOTAL COST OF MATERIALS CONSUMED	151.54	535.12
NOTE 22 (B) PURCHASES OF STOCK-IN-TRADE	11.23	235.47
NOTE 22 (C) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE		
Stock at the beginning of the year		
Finished Goods (including goods in transit)	12.43	36.28
Work-in-Progress	1.03	31.45
Stock-in-trade (acquired for trading)	-	-
Total	13.46	67.73
Stock at the end of the year		
Finished Goods (including goods in transit)	3.95	12.43
Work-in-Progress	2.65	1.03
Stock-in-trade (acquired for trading)	-	-
Total	6.61	13.46
Changes in inventories	6.86	54.27
Increase / (Decrease) in Excise duty on finished goods	(1.52)	2.46
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE	5.34	56.74

Notes to the financial Statements

For the year ended 31st March 2015

NOTE 23 : EMPLOYEE BENEFITS EXPENSE

(₹ in Lacs)

	Year 2014-15	Year 2013-14
Salaries and wages	229.60	172.59
Contribution to Provident and other Funds	18.88	15.18
Staff welfare expenses	7.68	14.21
	256.16	201.97

NOTE 24: OTHER EXPENSES

(₹ in Lacs)

	Year 2014-15	Year 2013-14
Bad debts written off	3.09	-
Consumption of Stores, spares and consumables	72.16	63.51
Power and fuel	30.56	29.12
Repairs and Maintenance:		
Buildings	1.27	0.28
Machinery	11.71	9.05
Other assets	6.55	4.58
	19.53	13.91
Rates and taxes	1.39	5.81
Insurance	3.94	3.83
Printing, stationery and communication expenses	7.80	4.88
Travelling expenses	7.85	11.56
Training And Recruitment Expenses	2.24	2.09
Donations	0.27	0.02
Auditors remuneration	1.00	1.20
Contract Manpower Expenses	88.30	53.29
Bank Charges	0.25	3.19
Legal and professional expenses	8.55	11.38
Freight and handling charges	3.81	2.95
Advertisement and sales promotional expenses	1.78	9.25
Commission & Brokerage	-	115.02
Provision for doubtful debts and advances	(7.55)	10.88
Net loss / (gain) on foreign currency transactions and translations	(0.07)	6.56
Miscellaneous expenses	32.62	14.02
	277.53	362.48

NOTE 25: Finance Costs

(₹ in Lacs)

	Year 2014-15	Year 2013-14
Interest on Long term borrowings	0.45	29.82
Interest on Short term borrowings	-	19.91
Other Interest	21.86	46.10
	22.32	95.83

Notes to the financial Statements

For the year ended 31st March 2015

26. Contingent Liabilities and Commitments :

a. Contingent Liabilities:

(₹ in Lacs)

	As at 31.03.15	As at 31.03.14
1 Claims against the Company not acknowledged as debts		
i. Tax matters in dispute under appeal	38.52	88.65

b. Commitments:

	As at 31.03.15	As at 31.03.14
1 Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil
2 Bank Guarantees given by bankers on our behalf	10.00	10.00

27. Payment to Auditors: (Excluding Service Tax)

	2014-2015	2013-2014
Statutory audit fee	0.80	0.80
Taxation Matters	0.20	0.30
Other services	0.00	0.10
Total	1.00	1.20

28. Raw materials consumed

Particulars	2014-15	2013-14
Boards	51.49	190.57
Edgeband	5.19	34.66
Laminates	10.67	97.78
Paint	30.52	119.81
Others	46.39	6.33
Total	144.26	449.15

29. Stock and Turnover

Products	Sales Value	Closing Inventory	Opening Inventory
a) Manufactured Goods (Kitchen Components)	253.84 (1,737.14)	3.95 (12.43)	12.43 (36.28)
b) Traded Goods	- -	- -	- -
Total	253.84 (1,737.14)	3.95 (12.43)	12.43 (36.28)

(figures in brackets are for the previous year)

30. CIF value of imports:

	2014-2015	2013-2014
Raw Material	15.77	66.64

Notes to the financial Statements

For the year ended 31st March 2015

31. Value of Imported and Indigenous Raw Materials Consumed and percentage of each to Total Consumption:

	2014-15		2013-14	
	(₹ In lacs)	% to Total	(₹ In lacs)	% to Total
Raw materials:				
1 Imported (including value of consumption of imported raw materials purchased through indigenous sources)	15.77	10.93%	58.39	13.00%
2 Indigenous	128.49	89.07%	390.76	87.00%
Total	144.26	100.00%	449.15	100.00%

32. Expenditure in foreign currency:

	2014-2015	2013-2014
Travelling and Other Expenses	1.94	3.20
Repairs to Plant & Machinery	8.19	Nil

33. Earnings in foreign currency:

	2014-2015	2013-2014
Export of goods at FOB value	Nil	10.94

34. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2013-14, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.

	31st March 2015	31st March 2014
(i) Principal amount remaining unpaid (but within due date as per the MSMED Act)	-	-
(ii) Interest due thereon remaining unpaid	-	-
(iii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(iv) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(v) Interest accrued and remaining unpaid	-	-
(vi) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

35. The Company does not enter into any derivative instruments for trading or speculative purposes.

The foreign currency exposure not hedged as at 31st March, 2015 are ₹ Nil (Previous Year ₹ Nil)

36. Employee Benefits:

1) Short term employee benefits :

The liability towards short-term employee benefits for the year ended 31st March, 2015 has been recognized in the statement of Profit and Loss.

2) Post-employment benefits :

The following disclosures are made in accordance with AS 15 (Revised) pertaining to Defined Benefit Plans:

Notes to the financial Statements

For the year ended 31st March 2015

	₹ Lacs	
Gratuity Benefit Plans	Funded	Funded
Amount recognised in Balance Sheet	31-Mar-15	31-Mar-14
Present value of obligations	18.77	13.34
Fair value of plan assets	9.94	7.12
Net Liability / (Asset)	8.83	6.21
Amounts in Balance Sheet		
Liability	8.83	6.21
Assets	-	-
Net Liability / (Asset)	8.83	6.21
Expense Recognised in the Statement of Profit & Loss		
Opening defined benefit obligation less benefits paid		
Current service cost	3.19	4.33
Interest on defined benefit obligation	1.22	0.68
Expected return on plan assets	(0.96)	(0.53)
Net actuarial losses / (gains) recognized in year	2.17	1.50
Past service cost	-	-
Total, included in "Employee Benefit Expense"	5.62	5.98
Actual return on plan assets	0.66	0.54
Reconciliation of benefit obligations and plan assets for the Period		
Change in defined benefit obligation		
Opening defined benefit obligation	13.34	8.11
Current service cost	3.19	4.33
Interest cost	1.22	0.68
Actuarial (gain)/losses	1.87	1.50
Past Service Cost	-	-
Additions pursuant to BTA	-	-
Benefits paid	(0.84)	(1.29)
Closing defined benefit obligation	18.77	13.34
Change in fair value of assets		
Opening fair value of plan assets	7.12	6.70
Expected return on plan assets	0.96	0.53
Actuarial gain / (losses)	(0.30)	0.00
Contributions by employer	3.00	1.18
Benefits paid	(0.84)	(1.29)
Acquisition/Business Combination/ Divestiture	-	-
Closing fair value of plan assets	9.94	7.12

Asset Information - Broad Category of Plan Assets as a Percentage of total assets of Gratuity Plan

Government of India Securities (Central and State)	0.00%	0.00%
High quality corporate bonds (including Public & Private Sector Bonds)	0.00%	0.00%
Equity shares of listed companies	0.00%	0.00%
Real Estate / Property	0.00%	0.00%
Cash (including Special Deposits)	0.00%	0.00%
Other (including assets under Schemes of Insurance & Treasury Bills)	100.00%	100.00%
Total	100.00%	100.00%

Notes to the financial Statements

For the year ended 31st March 2015

Experience Adjustments for the current and previous four periods

	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
Fair value of Plan Assets, End of Period	9.94	7.12	-	-	-
Projected Benefit Obligation, End of Period	18.77	13.34	-	-	-
(Surplus)/Deficit in the Plan	8.83	6.21	-	-	-
Experience Adjustments on Plan Assets	(0.30)	0.00	-	-	-
(Gains)/losses due to change in Assumptions	1.23	-	-	-	-
Experience (Gains)/Losses on PBO	0.63	1.50	-	-	-
Total (Gain)/Loss on PBO	1.87	1.50	-	-	-

- Discount rate : The discount rate is based on benchmark yields available on government bonds at the valuation date with terms matching that of the liabilities, for the year at 7.8% (Previous year 9.15%)
- Expected Rate of Return on Plan Assets : This is based on the expectation of the average long-term rate of return expected on investments of the fund during the estimated term of the obligations. It is considered at 8.00% (Previous year 8.00%)
- Salary Escalation Rate : The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. It is considered at 10 % (Previous year 10%)

Notes :

- As at 31st March 2015, the gratuity fund assets and liabilities are managed by Kitchen Grace India Pvt. Ltd. Employees' Group Gratuity Trust by entering into a Scheme of Insurance for this purpose with the Life Insurance Corporation of India.
- The Company estimates that the balance amount to be contributed to the gratuity fund during the financial year 2015-2016 will be ₹ 8.83 lakhs (Previous Year ₹ 6.21 lakhs).

3) Defined Contribution Plan:

Provident Fund contributions are made to the Regional Provident Fund Commissioner (RPFC) which are charged to the Statement of Profit and Loss as incurred. In respect of contribution to RPFC, the Company has no further obligations beyond making the contribution, and hence, such employee benefit plan is classified as Defined Contribution Plan.

4) Long term employee benefits:

The liability towards compensated absences (annual leave) for the year ended 31st March, 2015 based on actuarial valuation carried out by using Projected Accrued Benefit method resulted in increase in liability by ₹ 2.77 lakhs (Previous year ₹ 7.51 lakhs).

Assumptions considered for Actuarial Valuation:

a. Economic Assumptions

	31st March, 2015	31st March, 2014
Discount Rate	7.8%	9.15%
Basic salary increases allowing for regular increase / price inflation / promotional increase	10.00%	10.00%

b. Demographic Assumptions

	31st March, 2015	31st March, 2014
Mortality	Indian Assured Lives Mortality (2006-08)ultimate	Indian Assured Lives Mortality (2006-08)ultimate
Employee Turnover	20%	20%
Leave Availment Ratio	2%	5%

Notes to the financial Statements

For the year ended 31st March 2015

37. Earnings Per Share:

	2014-2015	2013-2014
a) Basic and diluted earnings per share before exceptional item in ₹ (face value – ₹ 10/- per share)	16.06	3.62
b) Profit / (Loss) after tax as per Statement of Profit or Loss (₹ In Lacs)	223.25	39.00
c) Weighted average number of equity shares outstanding	13,90,222	10,77,722

38. Information on related party transactions as required by Accounting Standard - 18 on Related Party Disclosures for the year ended 31st March, 2015.

(a) **Holding Company:** Sleek International Pvt. Ltd.

(b) **Ultimate Holding Company:** Asian Paints Ltd.

(c) **Key Managerial personnel:**

Name of the Director	Designation
Mr. Snehal Vasani	Managing Director
Mr. Rajesh Ahuja	Director
Mr. Pragyan Kumar	Director (with effect from 8th Aug 2013)

(d) **Promoters / Directors and their relatives having control:**

Mr. Snehal Vasani (Promoter) (Till 31st December 2014, post which he has sold his entire stake and hence ceased to be a Promoter)

Mr. Prakash T Ahuja (Brother of Rajesh Ahuja's Father) (Till 7th Aug 2013)

Mrs. Seema P Ahuja (Wife of Prakash T Ahuja) (Till 7th Aug 2013)

(e) **Employee benefit plans where control exists**

KGIPL EGGLA Trust

(f) **Companies/Partnership firms controlled by Directors/Relatives of Directors :**

Kitchen Creations Private Limited	Palmleaf Furnitech Private Limited
M/s. Sleek International	M/s. Kitchen Creations
M/s. MRJ Industries	M/s. ESS Industries
Prop . Star Solutions	

(g) **Subsidiaries of the ultimate Holding Company – Asian Paints Ltd:**

Fellow Subsidiaries:

Name of the Company	Country of Incorporation
Asian Paints (Nepal) Private Limited	Nepal
Asian Paints (International) Limited	Mauritius
Asian Paints Industrial Coatings Limited	India
Multifacet Infrastructure (India) Limited	India
Maxbhumi Developers Limited	India

Notes to the financial Statements

For the year ended 31st March 2015

Subsidiaries of the wholly owned subsidiary, Asian Paints (International) Limited, Mauritius

Name of the Company	Country of Incorporation
Asian Paints (South Pacific) Limited	Fiji Islands
Asian Paints (Tonga) Limited	Kingdom of Tonga
Asian Paints (S.I.) Limited	Solomon Islands
Asian Paints (Vanuatu) Limited	Republic of Vanuatu
Asian Paints (Lanka) Limited	Sri Lanka
Asian Paints (Bangladesh) Limited	Bangladesh
Asian Paints (Middle East) LLC	Sultanate of Oman
SCIB Chemicals S.A.E.	Egypt
Samoa Paints Limited	Samoa
Berger International Limited]	Singapore

Subsidiaries of Berger International Limited.

Name of the Company	Country of Incorporation
Berger Paints Singapore Pte Limited	Singapore
Enterprise Paints Limited	Isle of Man, U.K.
Universal Paints Limited	Isle of Man, U.K.
Lewis Berger (Overseas Holdings) Limited	U.K.
Kadisco Paint and Adhesive Industry Share Company	Ethiopia
PT Asian Paints Indonesia	Indonesia

Subsidiary of Enterprise Paints Limited

Name of the Company	Country of Incorporation
Nirvana Investments Limited	Isle of Man, U.K.

Subsidiary of Nirvana Investments Limited

Name of the Company	Country of Incorporation
Berger Paints Emirates Limited	U.A.E.

Subsidiaries of Lewis Berger (Overseas Holdings) Limited

Name of the Company	Country of Incorporation
Berger Paints Jamaica Limited	Jamaica
Berger Paints Trinidad Limited	Trinidad
Berger Paints Barbados Limited	Barbados

Subsidiary of Universal Paints Limited:

Name of the Company	Country of Incorporation
Berger Paints Bahrain W.L.L.	Bahrain

Notes to the financial Statements

For the year ended 31st March 2015

(h) Details of related party transactions during the year ended 31st March, 2015:

Sr. No.	Particulars	Companies/ Firms/Sole Prop controlled by Directors/Relatives		Key Management Personnel		Holding Co		Promoters & their relatives having control		Employee benefit plans where control exists	
		2014-15 in lakhs	2013-14 in lakhs	2014-15 in lakhs	2013-14 in lakhs	2014-15 in lakhs	2013-14 in lakhs	2014-15 in lakhs	2013-14 in lakhs	2014-15 in lakhs	2013-14 in lakhs
1	Commission Paid :-										
	M/s. Sleek International	-	39.55	-	-	-	-	-	-	-	-
	Sleek International Pvt. Ltd.	-	-	-	-	-	85.64	-	-	-	-
2	Sales of Goods :-										
	M/s. Sleek International	-	51.54	-	-	-	-	-	-	-	-
	Sleek International Pvt. Ltd.	-	-	-	-	22.32	869.56	-	-	-	-
	Palmleaf Furnitech Pvt. Ltd.	-	0.23	-	-	-	-	-	-	-	-
3	Purchase of Raw Material										
	M/s. Sleek International	-	30.28	-	-	-	-	-	-	-	-
	Sleek International Pvt. Ltd.	-	-	-	-	114.03	66.97	-	-	-	-
	Palmleaf Furnitech Pvt. Ltd.	-	20.40	-	-	-	-	-	-	-	-
4	Loan taken from:										
	Mr. Rajesh T. Ahuja	-	-	-	87.00	-	-	-	-	-	-
	Sleek International Pvt. Ltd.	-	-	-	-	-	300.00	-	-	-	-
5	Repayment of loans taken :										
	Mr. Snehal Vasani	-	-	-	53.00	-	-	-	-	-	-
	Mr. Rajesh T. Ahuja	-	-	-	260.00	-	-	-	-	-	-
	Mrs. Seema P. Ahuja	-	-	-	-	-	-	-	51.06	-	-
	Mr. Prakash T. Ahuja	-	-	-	-	-	-	-	46.60	-	-
	Sleek International Pvt. Ltd.	-	-	-	-	230.00	-	-	-	-	-
6	Interest paid on loan taken :										
	Mr. Snehal Vasani	-	-	-	2.44	-	-	-	-	-	-
	Mr. Rajesh T. Ahuja	-	-	-	9.54	-	-	-	-	-	-
	Mr. Monesh T. Ahuja	-	-	-	-	-	-	-	0.04	-	-
	Mr. Prakash T. Ahuja	-	-	-	-	-	-	-	2.14	-	-
	Mrs. Seema P. Ahuja	-	-	-	-	-	-	-	2.35	-	-
	Sleek International Pvt. Ltd.	-	-	-	-	15.62	29.55	-	-	-	-
7	Remuneration to Directors										
	Mr. Snehal Vasani	-	-	24.91	5.73	-	-	-	-	-	-
	Mr. Rajesh T. Ahuja	-	-	-	2.11	-	-	-	-	-	-
8	Rent Paid to:										
	Mr. Snehal Vasani	-	-	-	1.80	-	-	-	-	-	-
9	Reimbursement of expenses received:										
	Sleek International Pvt. Ltd.	-	-	-	-	0.79	4.41	-	-	-	-
10	Assets Purchased/ sold										
	Sleek International Pvt. Ltd.	-	-	-	-	-	65.19	-	-	-	-
11	Issue of Equity shares to										
	Sleek International Pvt. Ltd.	-	-	-	-	-	1,196.33	-	-	-	-

Notes to the financial Statements

For the year ended 31st March 2015

Sr. No.	Particulars	Companies/ Firms/Sole Prop controlled by Directors/Relatives		Key Management Personnel		Holding Co		Promoters & their relatives having control		Employee benefit plans where control exists	
		2014-15 in lakhs	2013-14 in lakhs	2014-15 in lakhs	2013-14 in lakhs	2014-15 in lakhs	2013-14 in lakhs	2014-15 in lakhs	2013-14 in lakhs	2014-15 in lakhs	2013-14 in lakhs
12	Tolling/Processing Charges Received										
	Sleek International Pvt. Ltd.		-	-	-	727.38	48.00	-	-	-	-
13	Contributions during the year										
	KGiPL EGGLA Trust	-	-	-	-	-	-	-	-	3.00	1.18

Balances as at year end (31st March 2015 / 2014)

1	Trade Payable:										
	Palmleaf Furnitech Pvt. Ltd.	-	19.29	-	-	-	-	-	-	-	-
2	Trade Receivable:										
	Sleek International Pvt. Ltd.	-	-	-	-	123.37	238.38	-	-	-	-
	M/s. Sleek International	-	-	-	-	-	-	-	19.96	-	-
3	Interest to be paid										
	Sleek International Pvt. Ltd.	-	-	-	-	-	2.98	-	-	-	-
4	Unsecured Loan:										
	Sleek International Pvt. Ltd.	-	-	-	-	70.00	300.00	-	-	-	-

- Key management personnel who are under the employment of the company are entitled to post employment benefits and other long term employee benefits recognised as per AS-15 (Revised) Employee Benefits in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.
- Remuneration paid to the directors of the Company is within the limits mentioned under Section 197 of Companies Act, 2013.

39. Segment Reporting

As per Accounting Standard – 17, the Company is principally engaged in a single business segment viz. Manufacture and Sale of kitchen components.

- During the previous year (i.e. FY 2013-14), Sleek International Pvt. Ltd. ("SIPL") acquired a controlling stake in the Company. The Company became a subsidiary of SIPL with effect from 21st June 2013. The stake held by SIPL in the Company as on 31.3.14 was 86.01%. Further, during the current year, SIPL bought the remaining 13.99% stake from the Promoter, Mr. Snehal Kishorlal Vasani, thus making the Company a 100% subsidiary of SIPL with effect from 1st January 2015.

41. Changes in accounting policy in the Previous year:

In order to align the accounting policies of the Company with that of the ultimate holding company (Asian Paints Ltd.), the Company made the following change in accounting policies effective 1st April 2013: Depreciation method was changed from Written Down Value Method to Straight Line Method with retrospective effect. Accordingly an amount of ₹ 235.14 Lacs was credited to the Profit and Loss account in the previous year.

42. Change in estimate of useful lives of fixed assets in previous year to align with the ultimate holding company:

Management had re-estimated the useful lives of fixed assets to align with estimates of the ultimate holding company (Asian Paints Limited) and reduced useful life estimates in certain classes of assets with effect from 1st April 2013. The net block of such assets as at 31st March 2013 has been amortized over their remaining revised useful lives. As a result of this change, the depreciation for the previous year was higher by ₹ 77.42 Lakhs, in comparison with depreciation as per useful lives estimated prior to the previous year.

Notes to the financial Statements

For the year ended 31st March 2015

43. Pursuant to the Accounting Standard (AS 29) – Provisions, Contingent Liabilities and Contingent Assets, the disclosure relating to provisions made in the accounts for the year ended 31st March, 2015 is as follows:

	Provision for Statutory Liabilities*	
	2014-15	2013-14
Opening Balance	-	-
Additions	20.00	-
Utilizations	-	-
Reversals	-	-
Closing Balance	20.00	-

* Pertains to VAT assessments of current and prior years

44. The company had applied to DIC under Package Scheme of Incentives (PSI), 2007 for its expansion eligible for Industrial Promotion Subsidy (IPS) in the form of refund of net sales tax liability restricted to a maximum of ₹ 155.36 Lakhs as per the Eligibility Certificate (EC) issued by DIC, Government of Maharashtra. In terms of the Accounting Standard (AS-12) "Accounting for Government Grants" prescribed by Companies (Accounting Standards) Amendment Rules, 2006, eligible incentive as mentioned above amounting to ₹ 27.03 Lakhs is credited to Statement of Profit and Loss & included under the head "Other Non-Operating Income" on accrual basis.
45. Previous year's figures have been regrouped, reclassified wherever necessary to correspond with the current year classification/disclosure.

As per our report of even date
For **L B Bapat & Associates**
Chartered Accountants
F.R.N. 101000W

L.B. Bapat
Proprietor
Membership No. 33860

Pune
Date: 30th April, 2015

For and on behalf of the Board
Snehal K. Vasani
Managing Director

Pragyan Kumar
Director

Rajesh Ahuja
Director

Mumbai
Date: 30th April, 2015