
SLEEK INTERNATIONAL PRIVATE LIMITED

(Formerly known as Silverline Wire Products Private Limited)

BOARD OF DIRECTORS

Shri Manish Choksi Chairman

Shri Pragyan Kumar Director

Shri Rajesh Ahuja Managing Director

Shri Monesh Ahuja Executive Director

AUDITORS

M/s. Doshi Praveen & Co., Chartered Accountants (Registration No. 102742W)

M/s. BSR & Co. LLP, Chartered Accountants (Registration No. 101248W/ W-100022)

REGISTERED OFFICE

301/302, D/G Wing, 3rd Floor, Lotus Corporate Park, Graham Firth Compound, W E Highway, Goregaon(East), Mumbai - 400063

Board's Report

Dear Members,

Sleek International Private Limited

Your Directors have pleasure in presenting the Twenty Third 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:-

Particulars	(` In Lacs)		(` In Lacs)	
	Standalone		Consolidated	
	Year Ended 31st March 2015	Year Ended 31st March 2014*	Year Ended 31st March 2015	Year Ended 31st March 2014*
Revenue from Sale of Goods and Services (Net of Discounts and Excise Duty)	11,700.28	7,944.72	11,913.98	8,913.89
Other Operating Revenue	52.58	163.33	64.55	95.71
Other Income	428.40	386.99	528.81	368.09
Total Revenue	12181.26	8495.04	12507.34	9377.69
Expenses	12971.25	8322.43	12933.29	8988.42
Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)	(790.00)	172.61	(425.95)	389.27
Less: Finance Costs	43.87	57.53	50.57	123.80
Less: Depreciation and Amortisation Expenses	839.48	472.59	973.56	379.21
Loss before Tax	(1,673.34)	(357.51)	(1,450.08)	(113.73)
Provision for Tax	-	-	-	-
- Short/ (Excess)	-	-	-	-
- Deferred Tax	-	13.75	-	174.08
Loss after tax	(1,673.34)	(371.26)	(1,450.08)	(287.81)
Minority Interest	-	-	(25.69)	(9.97)
Loss after tax and Minority Interest	(1673.34)	(371.26)	(1,475.77)	(297.79)

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

OVERVIEW OF THE COMPANY'S PERFORMANCE AND STATE OF AFFAIRS

The Net revenue from Operations on standalone basis has increased to Rs. 11996.62 lakhs as against Rs. 7966.04 lakhs in the previous year and the loss after tax for the current year is Rs. 1673.34 lakhs as against a loss of Rs. 371.26 lakhs in the previous year.

Since there are losses during the year, no amount is carried or transferred to any reserve.

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.

Both of the models of business - providing full kitchen solutions to consumers and providing storage accessories and components to carpenters for setting up consumer kitchens - are being taken forward.

New dealers for Full Kitchens and new network for components have been appointed in several states. For expansion of network, your Company has tried to leverage the existing dealer network of Asian Paints Limited. The business is building up at these stores with footfalls and conversions increasing over time. Working with the this dealer network for building the network for modular kitchens will continue to be taken forward in 2015-16 and further as well. The Company aims to increase its presence across other states as well in the coming year, while strengthening its foothold in existing states.

The Company also runs its own retail modular kitchen outlets across Mumbai and other metros (currently 26 in number). During the year, it focused on improving operational efficiency at these stores while a decision was also taken to close 7 unprofitable stores. Simultaneously, 2 new stores were opened in Mumbai. The Company will continue to closely monitor its Retail store portfolio to improve sales and profitability.

The Company's Project division showed a healthy sales growth of 28% y-o-y, which included supply to some renowned builders in and around Mumbai. Projects will be an important and exciting segment in the coming years with many builders across the country keen to provide improved amenities to their customers, including modular kitchens, in which the Company enjoys a good brand presence.

The Company has during the year also optimized the capacity available at its subsidiary company, Kitchen Grace India Private Limited ("KG IPL"), for shutters and carcasses to ensure availability and faster turnarounds. During the year, the Company acquired the balance 13.99% stake in KG IPL from the minority shareholder, thus making KG IPL a 100% subsidiary of SIPL with effect from 1st January, 2015.

Further, the Board of Directors of the Company at their meeting held on 14th Jan 2015 have approved a scheme of amalgamation of KG IPL with the Company, 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 Company is in the process of filing the application and the necessary Scheme envisaging the said merger in the High Court.

The Company ended the year with revenue of Rs.117.53 crores and a Loss after Tax of Rs. 16.73 crores. Sleek Group ended the year with revenue of Rs. 119.79 crores and a Loss after Tax and Minority Interest of Rs. 14.76 crores. Reasons for the loss include the less than expected sales value growth and increase in employee costs. During the year, manpower strength at the Company has been substantially increased to support the country-wide kitchen store and components expansion plans. Other costs such as those in Information technology etc. have also increased as the Company has incurred these in order to improve its operational efficiency to support the expansion plan in the coming years. However, sale growth in terms of value have not kept pace as per expectations due to unfavorable market conditions in some of the Company's major markets and slower than expected expansion through dealer model. Nevertheless, there have been dealer openings across several states during the year, which will continue over the coming year as well, and the management is confident that this will translate into healthy sales and an improving bottom-line in the coming years.

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, the Company has acquired an additional stake of 13.99% in its subsidiary company M/s. Kitchen Grace India Private Limited (KG IPL), making KG IPL a Wholly Owned Subsidiary of the Company.

FINANCIAL POSITION AND PERFORMANCE OF SUBSIDIARY COMPANY

Name of Subsidiary Company: Kitchen Grace (India) Private Limited

(Rs. In Lacs)

Particulars	Year Ended 31st 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 Amortization Expense	134.09	(93.39)
Profit before Tax	223.25	199.32
Provision for Tax		
- Current (Less MAT Credit Entitlement)	----	----
- Deferred Tax	----	160.32
Profit After tax	223.25	39.00

DIRECTORS/ KMPs

- In accordance with Section 152 of the Companies Act, 2013, Shri Manish Choksi 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 Board of Directors at their meeting held on 10th October, 2014, appointed Shri Pragyan Kumar as an Additional/ Non-Executive Director of your Company. Accordingly, Shri Pragyan Kumar is being appointed as the Director of your Company at the ensuing Annual General Meeting. Your Directors recommend his appointment as a Director of your Company.

Appropriate resolutions for the appointment/ re-appointment of Directors are being placed before the members for approval at the ensuing Annual General Meeting.

- Shri Jayesh Merchant ceased to be a Non-Executive Director of the Company with effect from 10th October 2014. The Board places on record its appreciation for his valuable contribution during his tenure as a Director of the Company.
- Shri Rajesh Ahuja and Shri Monesh Ahuja vacated their offices as Managing Director and Executive Director respectively on 17th September 2014 as the applications filed with the Central Government for their appointment and remuneration under Section 269 read with Schedule XIII of the Companies Act 1956 were rejected.

Shri Rajesh Ahuja and Shri Monesh Ahuja were re-appointed as Managing Director and Executive Director respectively w.e.f. 17th September 2014 in a meeting of the Board of Directors and the said appointments were approved by the shareholders in an Extra-Ordinary General Meeting held on 18th September 2014.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- 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;
- 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;
- the annual accounts have been prepared on a going concern basis;
- 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, Nine (9) 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. 2nd May 2014	6. 10th October 2014
2. 7th May 2014	7. 1st January 2015
3. 14th July 2014	8. 14th January 2015
4. 26th August 2014	9. 16th March 2015
5. 17th September 2014	

AUDIT COMMITTEE

Your Company is not required to constitute an Audit Committee for the financial year 2014-15, since it did not fall within the prescribed class of companies in accordance with the provisions of Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014.

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 39 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 22nd Annual General Meeting of your Company, M/s. BSR & Co LLP, Chartered Accountants (Registration No. 101248W/W-100022) were appointed as the Statutory Auditors to hold office till the conclusion of the 23rd Annual General Meeting.

M/s. B S R & Co., LLP, 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. B S R & Co., LLP, Chartered Accountants, as the Statutory Auditors of your Company for a period of 5 years, from the conclusion of the ensuing 23rd Annual General Meeting till the conclusion of the 28th Annual General Meeting subject to ratification by the shareholders at each Annual General Meeting to be held hereafter.

There are neither qualifications, reservations nor adverse remarks made by the auditors in their report, nor has the Company 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 AND TECHNOLOGY ABSORPTION

Since the Company is a Trading Company and does not have its own factory set up as on date, the provisions related to Conservation of Energy and Technology Absorption are not applicable.

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 Rs. Lacs)

		2014-15	2013-14
a.	Export of traded goods at FOB value	-	0.79
b.	Sales Commission	8.86	-

Foreign Exchange Outgo:

CIF value of Imports:

(in Rs. Lacs)

		2014-2015	2013-2014
a.	Capital goods	11.76	53.98
b.	Traded goods (Kitchen components)	2000.27	996.90
	Total	2012.03	1050.88

Value of Imported Raw Materials:

(in Rs. Lacs)

	2014-15	2013-14
Raw materials Imported (including value of consumption of imported raw materials purchased through indigenous sources)	75.28	----

Expenditure in foreign currency:

(in Rs. Lacs)

		2014-15	2013-14
a.	Travelling and Training Expenses	1.68	4.51
b.	Staff welfare expenses	0.65	1.15
	Total	2.33	5.30

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposit within the meaning of Section 73 and 74 of the Companies Act, 2013, read together with the Companies (Acceptance of Deposit) Rules, 2014.

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. The senior management team has also undergone a training organized by the Parent Company during the year on risk management framework.

SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2015 was Rs.12,21,800/- (Rupees Twelve Lacs Twenty One Thousand Eight Hundred Only). During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT- 9 is 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 deposit within the meaning of Section 73 and 74 of the Companies Act, 2013, read together with the Companies (Acceptance of Deposit) Rules, 2014.
- The Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.
- 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 on the contribution and support by the employees, bankers, vendors, customers and other stakeholders of your Company. Your Directors also acknowledge the support and assistance received from Asian Paints Limited, holding Company and all its employees for their contribution during the year.

FOR AND ON BEHALF OF THE BOARD

PRAGYAN KUMAR	RAJESH AHUJA
DIRECTOR	MANAGING DIRECTOR

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
- (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 NIL
- (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
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions NIL
- (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
DIRECTOR

RAJESH AHUJA
MANAGING DIRECTOR

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:-	U31300MH1993PTC070859		
ii) Registration Date	18	02	1993
	Date	Month	Year
iii) Name of the Company	Sleek International Private Limited		
iv) Category of the Company: - [Pl. tick]			
1	Public Company		
2	Private company	√	
		(However, it is a subsidiary of a Public Company)	
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	Sleek International Private Limited		
Address	301/302, D/G Wing, 3rd Floor, Lotus Corporate Park, Graham Firth Compound, W E Highway,		
Town / City	Goregaon (East), Mumbai		
State	Maharashtra		
Pin Code	400063		
Country Name	India		
Country Code	IN		
Telephone with STD Area Code Number	022 6107 5400		
Fax Number	022 6107 5400		
Email Address	compliance@sleekworld.com		
Website, if any	www.sleekworld.com		
Name of the Police Station having jurisdiction where the registered office is situated	Vanrai Police Station, Opp. Hub Mall, Goregaon East, Mumbai - 400063		
vi) Whether shares listed on recognized Stock Exchange(s)		No	
vii) Name and Address of Registrar & Transfer Agents (RTA)		NA	

[illegible]

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	
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) FIs	----	----	----	----	----	----	----	----	----
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)	----	122180	122180	100	----	122180	122180	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	Thakur Ahuja	8667	7.09	----	8667	7.09	----	----
2	Jyoti Ahuja	8000	6.55	----	8000	6.55	----	----
3	Rajesh Ahuja	22404	18.34	----	22404	18.34	----	----
4	Monesh Ahuja	20797	17.02	----	20797	17.02	----	----
5	Asian Paints Limited	62308	51.00	----	62308	51.00	----	----
6	Asian Paints Ltd jointly with Manish Choksi	1	0.00	----	1	0.00	----	----
7	Asian Paints Ltd jointly with Jayesh Merchant	1	0.00	----	1	0.00	----	----

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	
8	Asian Paints Ltd jointly with Jalaj Dani	1	0.00	----	1	0.00	----	----
9	Asian Paints Ltd jointly with Amit Syngle	1	0.00	----	1	0.00	----	----
	Total	122180	100.00	----	122180	100.00	----	----

C. Change in Promoters' Shareholding

There has been no change in shareholding of the Promoters during the year.

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	Manish Choksi				
	At the beginning of the year	1 (jointly with Asian Paints Limited)	0.00	1	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	----	----	1	0.00
	At the End of the year	1 (jointly with Asian Paints Limited)	0.00	1	0.00
2.	Jayesh Merchant (Ceased as Director w.e.f. 10.10.2014)				
	At the beginning of the year	1 (jointly with Asian Paints Limited)	0.00	1	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g.allotment / transfer /bonus/ sweat equity etc):	----	----	1	0.00
	At the End of the year	1 (jointly with Asian Paints Limited)	0.00	1	0.00
3.	Pragyan Kumar (appointed w.e.f. 10.10.2014)				
	At the beginning of the year	----	----	----	----
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g.allotment / transfer /bonus/ sweat equity etc):	----	----	----	----

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
4.	At the End of the year	----	----	----	----
	Rajesh Ahuja				
	At the beginning of the year	22404	18.34	22404	18.34
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g.allotment / transfer /bonus/ sweat equity etc):	----	----	22404	18.34
5.	At the End of the year	22404	18.34	22404	18.34
	Monesh Ahuja				
	At the beginning of the year	20797	17.02	20797	17.02
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g.allotment / transfer /bonus/ sweat equity etc):	----	----	20797	17.02
	At the End of the year	20797	17.02	20797	17.02

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	----	355.63	----	355.63
i) Principal Amount	----	----	----	----
ii) Interest due but not paid	----	----	----	----
iii) Interest accrued but not due				
Total (i+ii+iii)	----	355.63	----	355.63
Change in Indebtedness during the financial year	----	----	----	----
• Addition	----	247.86	----	247.86
• Reduction				
Net Change	----	247.86	----	247.86
Indebtedness at the end of the financial year	----	107.77	----	107.77
i) Principal Amount	----	----	----	----
ii) Interest due but not paid	----	----	----	----
iii) Interest accrued but not due				
Total (i + ii + iii)	----	107.77	----	107.77

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
		Rajesh Ahuja	Monesh Ahuja	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	51.93	54.45	106.37
		0.39	0.39	0.78
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	----	----	----
	(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)	52.31	54.84	107.15
	Ceiling as per the Act	84.00	84.00	168.00

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 Sleek International Private Limited

Report on the financial statements

We have audited the accompanying financial statements of Sleek International 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 loss 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 31 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.
- | | |
|---|--|
| <p>For Doshi Praveen & Co.
Chartered Accountants
Firm's Registration No : 102742W</p> <p>Praveen Doshi
Proprietor
Membership No: 042112</p> <p>Mumbai
30 April 2015</p> | <p>For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022</p> <p>Bhavesh Dhupelia
Partner
Membership No: 042070</p> <p>Mumbai
30 April 2015</p> |
|---|--|

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 granted an unsecured loan to one company covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').
 - (a) In the case of the loan granted to the company covered in the register maintained under Section 189 of the Act, the borrower has been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loan is repayable in demand.
- (b) According to the information and explanation given to us, there are no overdue amounts of more than Rupees one lakh in respect of loan granted to the aforesaid company listed in the register maintained under Section 189 of 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) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-section (1) of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (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 generally 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, Sales tax/ Value Added Tax, Excise duty and Customs duty which have not been deposited with the appropriate authorities on account of dispute.
- (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.

(viii) The Company has accumulated losses at the end of the financial year and has incurred cash losses in the current financial year. However, cash losses were not incurred in the preceding financial year.

(ix) The Company did not have 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.

(xi) The Company did not have any term loans outstanding 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.

For Doshi Praveen & Co.
Chartered Accountants
Firm's Registration No : 102742W

Praveen Doshi
Proprietor
Membership No: 042112

Mumbai
30 April 2015

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No: 042070

Mumbai
30 April 2015

Balance Sheet

as at 31st March, 2015

		₹ Lakhs	
	Notes	As at 31st March, 2015	As at 31st March, 2014
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	2	12.22	12.22
Reserves and Surplus	3	11,797.75	13,471.09
		11,809.97	13,483.31
NON CURRENT LIABILITIES			
Long Term Borrowings	4	-	-
Other Long Term Liabilities	5	83.05	73.05
Long Term Provisions	6	115.49	124.75
		198.54	197.81
CURRENT LIABILITIES			
Short Term Borrowings	7	107.77	355.63
Trade Payables	8	442.27	851.01
Other Current Liabilities	9	1,515.07	1,143.65
Short Term Provisions	6	162.73	292.11
		2,227.84	2,642.41
Total		14,236.36	16,323.52
ASSETS			
NON CURRENT ASSETS			
Fixed Assets			
Tangible Assets	10 A	3,320.90	3,499.29
Intangible Assets	10 B	4,162.52	4,612.39
Capital work-in-progress		18.59	-
Intangible Assets under development		7.09	-
		7,509.10	8,111.68
Non-current Investments	11	1,468.81	1,696.58
Deferred Tax Assets (Net)	12	-	-
Long Term Loans and Advances	13	743.37	682.22
Other Non Current Assets	14	47.67	30.85
		2,259.85	2,409.65
CURRENT ASSETS			
Current Investments	15	1,436.48	2,309.65
Inventories	16	1,315.75	1,136.60
Trade Receivables	17	1,262.91	1,280.66
Cash and Bank Balances	18	30.63	404.89
Short Term Loans and Advances	13	421.44	532.69
Other Current Assets	19	0.19	137.70
		4,467.41	5,802.19
Total		14,236.36	16,323.52
Significant Accounting Policies	1	0.00	0.00
The accompanying notes are an integral part of the financial statements.	26-43		

As per our Report of Even Date

For and on behalf of the Board of

Sleek International Pvt Ltd

CIN No. U31300MH1993PTC070859

For Doshi Praveen & Co

Chartered Accountants

Firm Reg. No. 102742W

For B S R & Co. LLP

Chartered Accountants

Firm Reg. No. 101248W/W100022

Manish Choksi

Director

DIN No. 00026496

Pragyan Kumar

Director

DIN No. 06641187

Praveen K Doshi

Proprietor

M.No. 042112

Bhavesh Dhupelia

Partner

M.No. 042070

Rajesh T. Ahuja

Managing Director

DIN No. 00371406

Monesh T. Ahuja

Director

DIN No. 02591030

Chaitanya Dabholkar

CFO

Mumbai

Date : 30th April 2015

Mumbai

Date : 30th April 2015

Mumbai

Date : 30th April 2015

Mumbai

Date : 30th April 2015

Statement of Profit and Loss

for the year ended 31st March, 2015

		₹ Lakhs	
	Notes	Year 2014-15	Year 2013-14
INCOME			
Revenue from sale of goods and services (Net of discounts)	20 A	11,996.62	7,966.04
Less: Excise duty		296.34	21.32
Revenue from sale of goods and services (Net of discounts and excise duty)		11,700.28	7,944.72
Other Operating Revenue	20 B	52.58	163.33
Other Income	21	428.40	386.99
TOTAL REVENUE		12,181.26	8,495.04
EXPENSES			
Cost of Materials Consumed	22A	1,354.83	270.11
Purchases of Stock-in-Trade	22B	6,168.15	5,505.25
Changes in inventories of finished goods, work in progress and stock-in-trade	22C	(174.53)	(800.78)
Employee Benefits Expense	23	1,816.19	973.16
Other Expenses	24	3,806.62	2,374.70
		12,971.25	8,322.43
EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA)		(790.00)	172.61
Depreciation and Amortisation Expense	10	839.48	472.59
Finance Costs	25	43.87	57.53
LOSS BEFORE TAX		(1,673.34)	(357.51)
Less : Tax Expenses			
Current Tax		-	-
Deferred Tax	12	-	13.75
Total Tax Expenses		-	13.75
LOSS AFTER TAX		(1,673.34)	(371.26)
Loss per share (₹) Basic and diluted, (Face value of ₹ 10 each)		(1,369.57)	(384.06)
Significant Accounting Policies.	1		
The accompanying notes are an integral part of the financial statements.	26-43		

As per our Report of Even Date

For Doshi Praveen & Co
Chartered Accountants
Firm Reg. No. 102742W

Praveen K Doshi
Proprietor
M.No. 042112

Mumbai
Date : 30th April 2015

For B S R & Co. LLP
Chartered Accountants
Firm Reg. No. 101248W/W100022

Bhavesh Dhupelia
Partner
M.No. 042070

Mumbai
Date : 30th April 2015

For and on behalf of the Board of
Sleek International Pvt Ltd
CIN No. U31300MH1993PTC070859

Manish Choksi Director DIN No. 00026496	Pragyan Kumar Director DIN No. 06641187
Rajesh T. Ahuja Managing Director DIN No. 00371406	Monesh T. Ahuja Director DIN No. 02591030

Chaitanya Dabholkar
CFO
Mumbai
Date : 30th April 2015

Mumbai
Date : 30th April 2015

Cash Flow Statement

for the year ended 31st March, 2015

	₹ Lakhs	
	2014-15	2013-14
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Loss Before Tax	(1,673.34)	(357.52)
Adjustments for :		
Depreciation/ Impairment	839.48	472.59
(Profit)/Loss on sale of short term investments	(126.83)	(7.85)
(Profit)/Loss on Sale of assets	(176.79)	(223.58)
Finance costs	43.87	57.53
Provision for doubtful trade receivables and advances	(2.82)	3.24
Bad debts written off	15.30	-
Net unrealized foreign exchange (gain) / loss	1.88	13.44
Interest income	(24.65)	(73.47)
Dividend income	-	(76.79)
Operating Profit/(Loss) before working capital changes	(1,103.91)	(192.41)
Adjustments for :		
(Increase)/Decrease Inventories*	(179.15)	(567.42)
(Increase)/Decrease Trade and Other Receivables*	(144.96)	(292.66)
Increase/(Decrease) Trade and Other Payables*	(69.60)	727.86
Cash Used in Operating activities	(1,497.62)	(324.63)
Income Tax paid (net of refund)	(12.92)	(43.05)
NET CASH USED IN OPERATING ACTIVITIES (A)	(1,510.54)	(367.68)
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets *	(424.52)	(2,407.40)
Sale of fixed assets	362.95	740.86
Profit on sale of short term Investments	126.83	7.85
Interest received	34.91	63.10
Dividend received	-	76.79
Loan (given to) / repaid by Kitchen Grace (India) Private Limited	230.00	(300.00)
Purchase of long-term investments - subsidiary (Refer note: 41)	(272.23)	(1,196.33)
Purchase of long-term investments - others	-	(500.00)
Purchase of net-assets on slump sale basis (Refer Note 40)	-	(6,117.00)
Redemption / (Purchase) of Term Deposits	204.54	(201.99)
NET CASH USED IN INVESTING ACTIVITIES (B)	262.48	(9,834.12)

Cash Flow Statement

for the year ended 31st March, 2015

	₹ Lakhs	
	2014-15	2013-14
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	-	13,840.52
Repayment of long term borrowings	-	(294.37)
Repayment of short term borrowings	(247.86)	(918.06)
Finance costs paid	(43.87)	(57.53)
NET CASH GENERATED FROM FINANCING ACTIVITIES (C)	(291.73)	12,570.56
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(1,539.77)	2,368.74
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	2,503.05	15.56
CASH AND CASH EQUIVALENTS ACQUIRED PURSUANT TO PURCHASE OF NET ASSETS ON SLUMP SALE BASIS (Refer Note 40)	-	118.74
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	963.27	2,503.05
Components of Cash and Cash Equivalents (Refer Note 18A & 15(I)(b))		
(a) Cash on hand	3.51	4.72
(b) Balances with Banks:	17.10	175.01
(c) Cheques on hand	6.19	13.67
(d) Investment in Liquid mutual funds	936.48	2,309.65
CASH & CASH EQUIVALENTS AS PER NOTE 18A & 15(I)(b)	963.27	2,503.05

* After adjustments pursuant to purchase of net assets on slump sale (Refer note 40)

The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard - 3 (AS 3) on Cash Flow Statement prescribed in Companies (Accounting Standard) Rules, 2006

As per our Report of Even Date

For and on behalf of the Board of
Sleek International Pvt Ltd
CIN No. U31300MH1993PTC070859

For Doshi Praveen & Co
Chartered Accountants
Firm Reg. No. 102742W

For B S R & Co. LLP
Chartered Accountants
Firm Reg. No. 101248W/W100022

Manish Choksi **Pragyan Kumar**
Director Director
DIN No. 00026496 DIN No. 06641187
Rajesh T. Ahuja **Monesh T. Ahuja**
Managing Director Director
DIN No. 00371406 DIN No. 02591030

Praveen K Doshi
Proprietor
M.No. 042112

Bhavesh Dhupelia
Partner
M.No. 042070

Chaitanya Dabholkar
CFO

Mumbai
Date : 30th April 2015

Mumbai
Date : 30th April 2015

Mumbai Mumbai
Date : 30th April 2015 Date : 30th April 2015

Notes to the Audited Financial Statements

For the year ended 31st March, 2015

Company Background

Sleek International Private Limited ('the Company') was incorporated as a private company on 18 February 1993 as Silverline Wire Products Private Limited. The Company is a 51% subsidiary of Asian Paints Limited.

The Company is engaged in the retail and wholesale business of modular kitchen, kitchen components, kitchen accessories, civil kitchens and providing services of designing and installing kitchens.

1. Significant Accounting Policies

1.1. Basis of preparation of financial statements

(a) Basis of Accounting:

The financial statements have been prepared and presented 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 Accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 1956 ('the Act'), to the extent applicable. The financial statements are presented in India rupees rounded off to the nearest lakhs.

(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/accumulated impairment. The cost of fixed assets comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. 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 tangible 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

Notes to the Audited Financial Statements

For the year ended 31st March, 2015

1. Significant Accounting Policies (Continued)

useful life. Pursuant to this policy, depreciation on following assets have been provided at rates which are higher than the corresponding rates prescribed in Schedule II of the Companies Act, 2013. (In the previous year the comparison is with corresponding rates of Schedule XIV of the Companies Act, 1956).

	2014-15	2013-14
Display Kitchens and Vehicles	5 Years	5 Years
Furniture and Fixtures & Lease hold Improvements	8 Years	8 Years
Godown RCC Building	30 Years	30 Years
Office Equipment and Computer hardware	As per Schedule II	5 years

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

(e) Assets Held for Disposal

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 Statement of profit and loss.

(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.

1.3 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 is 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 as per the completed service contract method.

Commission 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.

1.4 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 straight-line basis.

1.5 Inventory

- Raw materials, work in progress, finished goods, Stock in trade 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.
- 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 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 processing charges, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition.

1.6 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

Notes to the Audited Financial Statements

For the year ended 31st March, 2015

1. Significant Accounting Policies (Continued)

of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long-term investments which are expected to be realized within 12 months from Balance Sheet date is also presented under "Current Assets" under "Current portion of long-term investments" in consonance with the current/non-current classification of Schedule III of the Companies Act, 2013.

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.

1.7 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 Company enters into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

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.

1.8 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.

1.9 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; previous year unfunded)

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 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

Notes to the Audited Financial Statements

For the year ended 31st March, 2015

1. Significant Accounting Policies (Continued)

refunds and reductions in future contributions to the plan.

The Company presents the entire liability towards gratuity as current in the Balance Sheet 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.

1.10 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.

1.11 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.

1.12 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.

1.13 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.

1.14 Proposed Dividend

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

1.15 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.

1.16 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.

1.17 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.

1.18 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 Audited Financial Statements

For the year ended 31st March, 2015

	₹ Lakhs	
	As at 31st March, 2015	As at 31st March, 2014
NOTE 2 : SHARE CAPITAL		
Authorised		
2,50,000 (Previous year 2,50,000) Equity Shares of ₹ 10/- each	25.00	25.00
	25.00	25.00
Issued, Subscribed and Paid up capital		
1,22,180 (Previous year 1,22,180) Equity Shares of ₹ 10/- each	12.22	12.22
	12.22	12.22

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

	31st March, 2015		31st March, 2014	
	No. of Shares	₹	No. of Shares	₹
Equity Shares				
At the beginning of the year	122,180	1,221,800	50,000	500,000
Add: Issued during the year	-	-	72,180	721,800
Outstanding at the end of the year	122,180	1,221,800	122,180	1,221,800

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

	31st March, 2015		31st March, 2014	
Name of Shareholders	No of Equity Shares	% holding	No of Equity Shares	% holding
Equity Shares of ₹ 10/- each				
1. Asian Paints Limited (the Holding Company) and its nominee	62,312	51.00	62,312	51.00
2. Mr.Rajesh Ahuja	22,404	18.34	22,404	18.34
3. Mr.Monesh Ahuja	20,797	17.02	20,797	17.02
4. Mr.Thakur Ahuja	8,667	7.09	8,667	7.09
5. Mrs. Jyoti Ahuja	8,000	6.55	8,000	6.55
Total	122,180	100.00	122,180	100.00

c) Terms/rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

As per the Companies Act 2013, 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 amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Shares held by the Holding Company 62,312 Equity shares (Previous year: 62,312 Equity shares) of the Company are held by its Holding Company, Asian Paints Limited and its nominee.

	As at 31st March, 2015	As at 31st March, 2014
NOTE 3 : RESERVES AND SURPLUS		
(a) General Reserve	108.17	108.17
(b) Securities Premium		
Balance at the beginning of year	13,833.30	-
Add:- Premium on shares issued during year	-	13,833.30
Balance at the end of year	13,833.30	13,833.30
(c) Deficit in Statement of Profit and Loss		
As per last Balance Sheet	(470.38)	(99.12)
Add : Net loss after tax transferred from Statement of Profit and Loss for the year	(1,673.34)	(371.26)
Closing balance	(2,143.72)	(470.38)
TOTAL (a+b+c)	11,797.75	13,471.09

Notes to the Audited Financial Statements

For the year ended 31st March, 2015

		₹ Lakhs	
		As at 31st March, 2015	As at 31st March, 2014
NOTE 4 : LONG TERM BORROWINGS			
Total Long Term Borrowings		-	-
	Non-Current	Current	
	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015
NOTE 5 : OTHER LONG TERM LIABILITIES		As at 31st March, 2014	
Retention monies relating to capital expenditure		8.24	5.84
Trade Deposits		-	-
		8.24	5.84
Amount incuded under the head "Other Current liabilities" (Refer note 9)		(8.24)	(5.84)
		-	-
NOTE 6 : PROVISIONS		Long term	Short term
		As at 31st March, 2015	As at 31st March, 2014
Provision for Employee Benefits (Refer note 37)			
Provision for Gratuity		-	28.88
Provision for Compensated absences		18.20	3.32
Provision towards statutory liabilities (Refer note 35)		97.29	130.54
		115.49	162.73
		124.75	292.11
		As at 31st March, 2015	As at 31st March, 2014
NOTE 7 : SHORT TERM BORROWINGS			
Loan repayable on demand from banks			
Unsecured			
Cash credit from banks**		107.77	355.63
		107.77	355.63
** Unsecured cash credit with banks carries interest @ 11% p.a.(Previous Year interest @ 11% p.a).			
NOTE 8 : TRADE PAYABLES			
Trade Payables		442.27	851.01
(Refer note no 33 for details of dues to Micro, Small and Medium Enterprises)		442.27	851.01
NOTE 9 : OTHER CURRENT LIABILITIES			
(a) Retention monies relating to capital expenditure (Refer Note 6)		8.24	5.84
(b) Other Payables			
Statutory Payables -			
Payable towards Work Contract Tax		0.32	1.16
Payable towards Service tax & Excise		0.01	0.93
Payable towards TDS under Income tax		31.95	17.23
Payable towards Provident Fund, Profession Tax and ESIC		11.16	5.61
Payable towards capital expenditure		-	34.78
Payable towards Services received		170.41	137.77
Advance received from customers		557.63	402.39
Advance received against sales of Assets		-	65.86
Payable to employees		230.16	128.70
[including ₹ 6.91 lakhs due to Managing/Executive Directors (Previous year Nil)]			
Provision for expenses		505.19	343.38
		1,515.07	1,143.65

Notes to the Audited Financial Statements

For the year ended 31st March, 2015

NOTE 10 : FIXED ASSETS

	Gross Block				Depreciation/Amortisation			Net Block	
	As at 1-Apr-14	Additions / Transfer during the year	Deductions / Transfer during the year	As at 31-Mar-15	As at 1-Apr-14	Additions / Transfer during the year	Deductions / Transfer	As at 31-Mar-15	As at 31-Mar-15
A. Tangible Assets :									
Freehold Land	-	-	-	-	-	-	-	-	-
Leasehold Land	445.63	10.00	-	455.63	-	-	-	-	455.63
Building**	2,084.25	18.56	108.74	1,994.07	37.21	49.01	4.99	81.24	1,912.83
Leasehold Improvement	85.15	4.75	-	89.90	4.43	11.26	-	15.70	74.20
Road	8.18	-	-	8.18	0.18	0.84	-	1.02	7.16
Display Kitchen	527.53	101.50	51.74	577.29	135.62	123.71	31.50	227.82	349.47
Electrical Installation	85.09	21.64	-	106.74	2.74	11.90	-	14.64	92.10
Office Equipment	245.24	96.25	-	341.50	102.89	66.23	-	169.12	172.38
Furniture and Fixture	214.77	7.74	-	222.51	21.22	28.55	-	49.77	172.73
Kitchen Application Centre	-	-	-	-	-	-	-	-	-
Vehicle*	67.17	-	12.77	54.40	23.00	16.35	12.44	26.91	27.49
Plant and Machinery	64.67	-	-	64.67	1.10	6.66	-	7.76	56.91
Total tangible assets	3,827.68	260.44	173.25	3,914.87	328.39	314.51	48.94	593.97	3,320.90
B. Intangible Assets :									
Goodwill	1,428.61	-	-	1,428.61	94.72	142.78	-	237.50	1,191.11
Brand	3,450.00	-	-	3,450.00	228.74	344.80	-	573.54	2,876.46
Computer Software	116.23	75.55	0.52	191.26	58.99	37.39	0.06	96.32	94.94
Total intangible assets	4,994.83	75.55	0.52	5,069.87	382.45	524.96	0.06	907.35	4,162.52
Total (A+B)	8,822.52	335.99	173.76	8,984.74	710.84	839.48	49.00	1,501.32	7,483.42

* Vehicles include one vehicle held in the name of director on behalf of company acquired on slump sale basis (Gross block ₹ 17.66 lakhs & Net block Nil) as on 31.03.2015 (Previous year Net Block ₹ 1.79 lakhs) for which transfer formalities are in process.

** Previous Year figure excludes Asset held for disposal Net Block amounting to ₹ 127.25 lakhs which has been classified as other current assets. (Refer note 19)

NOTE 10 : FIXED ASSETS (Continued)

	Gross Block				Depreciation/Amortisation				Net Block	
	As at 01.04.13	Pursuant to SI acquisition	Additions / Transfer during the year	Deductions / Transfer during the year	As at 31.03.14	Change in Depreciation Policy	Additions / Transfer during the year	Deductions / Transfer	As at 31.03.14	As at 31.03.2014
A. Tangible Assets :										
Freehold Land	-	-	-	-	-	-	-	-	-	-
Leasehold Land	-	445.63	-	-	445.63	-	-	-	-	445.63
Building	136.04	808.86	1,649.02	509.67	2,084.25	(30.46)	33.86	11.89	37.21	2,047.04
Leasehold Improvement	-	-	85.15	-	85.15	-	4.43	-	4.43	80.71
Road	-	-	8.18	-	8.18	-	0.18	-	0.18	8.00
Display Kitchen	261.60	-	294.32	29.02	526.89	(30.78)	109.91	20.33	134.98	391.91
Electrical Installation	8.29	13.82	62.98	-	85.09	(1.57)	1.58	-	2.74	82.35
Office Equipment	116.33	26.08	103.48	-	245.88	(20.62)	42.84	-	103.53	142.35
Furniture and Fixture	90.68	34.99	162.64	73.53	214.77	(14.53)	20.51	15.51	21.22	193.55
Kitchen Application Centre	-	3.71	-	3.71	-	-	1.91	1.91	-	-
Vehicle	35.74	28.77	28.15	25.50	67.17	(3.64)	20.10	13.10	23.00	44.17
Plant and Machinery	-	-	64.67	-	64.67	-	1.10	-	1.10	63.57
Total tangible assets	648.68	1,361.87	2,458.57	641.43	3,827.68	(101.60)	236.44	62.75	328.39	3,499.29
B. Intangible Assets :										
Goodwill	-	1,428.61	-	-	1,428.61	-	94.72	-	94.72	1,333.89
Brand	-	3,450.00	-	-	3,450.00	-	228.74	-	228.74	3,221.26
Computer Software	78.38	0.82	37.02	-	116.23	(14.30)	28.59	-	58.99	57.24
Total intangible assets	78.38	4,879.43	37.02	-	4,994.83	(14.30)	352.05	-	382.45	4,612.39
Total (A+B)	727.06	6,241.30	2,495.59	641.43	8,822.52	(115.89)	588.49	62.75	710.84	8,111.68

* Vehicles include one vehicle held in the name of director on behalf of company acquired on slump sale basis (Gross block ₹ 17.66 lakhs & Net block ₹ 1.79 lakhs) as on 31.03.2014 (Previous year: Nil)

** Excludes Asset held for disposal amounting to ₹ 127.25 lakhs which has been classified as other current assets (Refer note 19)

Notes to the Audited Financial Statements

For the year ended 31st March, 2015

				₹ Lakhs
	Nos.	Face value	As at 31st March, 2015	As at 31st March, 2014
NOTE 11 : NON CURRENT INVESTMENTS				
I. Quoted				
(i) Religare Invesco FMP-Sr. 23-Plan E (382 Days) - Direct Plan - Growth 0, (50,00,000)		10/-	-	500.00
(In the current year, these are classified under Current Investment as their maturity period is within 12 months)				
Total Non Current quoted Investments (I) *			-	500.00
I. Unquoted				
A. Trade Investments:			-	-
B. Other Investments:				
Investment in Equity Shares				
(i) Equity Shares of Saraswat Co-op. Bank	2,500 (2,500)	10/-	0.25	0.25
Investment in Equity Shares of Subsidiary Company				
(i) Kitchen Grace (India) Private. Limited	13,90,222 (11,95,772)	10/-	1,468.56	1,196.33
Total Non Current Unquoted Investments (II)**			1,468.81	1,196.58
Total Non Current Investments (I) + (II)			1,468.81	1,696.58
* Aggregate Market value of non current quoted investments as at 31 March 2015			-	500.52
** Aggregate Book value of non current unquoted investments as at 31 March 2015			1,468.81	1,196.58
Note 12: DEFERRED TAX ASSET (Net)				
<u>Deferred tax assets</u>				
Provision for expenses allowed for tax purpose on payment basis			52.70	66.32
Provision for doubtful trade receivables and advances			10.74	11.61
Accumulated losses and unabsorbed depreciation carried forward under Income Tax Act, 1961*			1,043.56	558.03
Total deferred tax assets			1,106.99	635.96
<u>Deferred tax liabilities</u>				
Difference between Written Down Value/Capital work in progress of fixed assets as per the books of accounts and Income Tax Act, 1961			563.08	537.21
Total deferred tax liabilities			563.08	537.21
Net Deferred Tax Asset			543.91	98.75
Net Deferred Tax Asset Recognised*			-	-
Deferred tax expense / (benefit) for the year			-	13.75
*Deferred tax asset is recognised only to the extent of deferred tax liability, as this amount is considered to be virtually certain of realisation. The remaining deferred tax asset of ₹ 543.91 lakhs (Previous year: ₹ 98.75 lakhs) is not recognised, as it is not considered to be virtually certain of realisation				

Notes to the Audited Financial Statements

For the year ended 31st March, 2015

₹ Lakhs

	Long Term		Short Term	
	As at 31st March, 2014		As at 31st March, 2014	
NOTE 13 : LOANS AND ADVANCES				
A. Unsecured and Considered good:				
To parties other than related parties				
(a) Capital Advances	30.46	-	-	-
(b) Sundry deposits	176.64	126.29	19.52	22.83
(c) Other loans and advances				
i) Advances to suppliers	-	-	178.48	93.16
Less: Provision for doubtful advances	-	-	8.06	-
	-	-	170.43	93.16
ii) Advance payment of Income Tax	61.75	48.84	-	-
iii) Balances with Government authorities				
- Income Tax Refund Receivable	13.15	13.15	-	-
- Sales Tax Refund Receivable	420.78	451.19	-	-
- Custom Duty Refund Receivable	40.58	42.75	-	-
iv) Advances to employees	-	-	9.15	4.71
v) Prepaid Expenses	-	-	152.34	111.99
	743.37	682.22	351.44	232.69
To related parties				
(a) Loan to Kitchen Grace (India) Pvt. Ltd.	-	-	70.00	300.00
	743.37	682.22	421.44	532.69

	As at 31st March, 2014	As at 31st March, 2014
NOTE 14: OTHER NON CURRENT ASSETS		
A. Long Term Trade Receivables		
(Unsecured, considered good (Refer note 17))	41.49	27.56
B. Other Bank Balances		
Term Deposits (held as margin money against Bank Guarantee and other commitments)	6.18	3.07
C. Interest Accrued on Term Deposits	-	0.22
	47.67	30.85

Notes to the Audited Financial Statements

For the year ended 31st March, 2015

				₹ Lakhs
	Nos.	Face value	As at 31st March, 2015	As at 31st March, 2014
NOTE 15 : CURRENT INVESTMENTS				
I. Quoted				
(a) Fixed Maturity Plan - Religare Invesco FMP-Sr. 23-Plan E (382 Days) - Direct Plan - Growth *	5,000,000	10/-	500.00	-
(b) Investment in Liquid mutual funds				
(i) HDFC FRI F - STF - WP - Growth (Previous Year: 30,96,973 units of FV ₹ 10/- each)			-	667.18
(ii) HDFC Liquid Fund - Growth 35,47,752.634 units of FV ₹ 10/- each (Previous Year : 8,02,794 units of FV ₹ 10/- each)			927.37	200.00
(iii) ICICI Prudential Liquid - Reg - Growth 4629.892 units of FV ₹ 10/- each (6,65,911 units of FV ₹ 10/- each)			9.11	1,242.47
(iv) ICICI Prudential Flexible Income Plan - Reg - Growth (83,620 units of FV ₹ 10/- each)			-	200.00
Total Current Investments (I) **			1,436.48	2,309.65
* As at 31st Mar'14, these Current Investment were classified under Non current Investment as their maturity period was more than 12 months				
** Aggregate Market value of current quoted investments as at 31 March 2015			1,534.78	2,346.76

Notes to the Audited Financial Statements

For the year ended 31st March, 2015

		₹ Lakhs	
		As at 31st March, 2015	As at 31st March, 2014
NOTE 16: INVENTORIES			
(a) Raw materials		192.10	196.59
(b) Packing materials		24.23	20.16
(c) Stock-in-trade (acquired for trading)		996.04	871.08
(d) Finished goods		80.67	35.03
(e) Work-in-progress		22.71	13.74
		1,315.75	1,136.60
		Non - Current	
		As at 31st March, 2015	As at 31st March, 2014
		Current	
		As at 31st March, 2015	As at 31st March, 2014
NOTE 17: TRADE RECEIVABLES			
Unsecured			
(a) Overdue for more than six months			
Considered good	-	37.97	17.88
Considered doubtful	-	26.70	37.58
	-	64.67	55.46
(b) Others			
Considered good*	41.49	1,224.94	1,262.78
Considered doubtful	-	-	-
	41.49	1,224.94	1,262.78
	41.49	1,289.61	1,318.24
Less: Provision for doubtful trade receivables	-	26.70	37.58
	41.49	1,262.91	1,280.66
Amount included under the head "Other Non Current Assets" (Refer Note 14)	(41.49)	(27.56)	
	-	1,262.91	1,280.66
* Includes ₹ 1.09 Lakh Receivable from Palmleaf Furnitech Pvt. Ltd. (Previous Year - ₹ 16.38 Lakh)			
		Current	
		As at 31st March, 2015	As at 31st March, 2014
NOTE 18: CASH AND BANK BALANCES			
A. Cash and Cash Equivalents			
(a) Cash on hand		3.51	4.72
(b) Balances with Banks:			
(i) Current Accounts		17.10	175.01
(ii) Cheques on hand		6.19	13.67
		26.79	193.41
B. Other Bank Balances			
(a) Term Deposits with Banks with maturity more than 3 months but less than 12 months		-	68.56
(b) Term Deposits with Banks (held as margin money against Bank Guarantee and other commitments)		3.84	142.93
		30.63	404.89
		As at 31st March, 2015	As at 31st March, 2014
NOTE 19: OTHER CURRENT ASSETS			
Fixed assets held for disposal		-	127.25
Interest accrued on investments and deposits		0.19	7.47
Interest accrued on Loan to Kitchen Grace (India) Private Limited		-	2.98
		0.19	137.70

Notes to the Audited Financial Statements

For the year ended 31st March, 2015

	₹ Lakhs	
	Year 2014-15	Year 2013-14
NOTE 20: REVENUE FROM OPERATIONS		
(A) Revenue from sale of goods and services:		
Sale of goods:		
Home Market (Net of Returns)	11,781.63	7,728.20
Exports	85.76	57.69
Turnover	11,867.39	7,785.89
Less: Discounts	148.72	43.81
Sale of goods (Net of Discounts)	11,718.66	7,742.08
Sale of services:		
Installation Income	277.96	223.96
Total	11,996.62	7,966.04
(B) Other Operating Revenues:		
Commission Income	12.83	131.73
Site visit charges	19.75	22.59
Maintenance and service income	20.00	9.00
Total	52.58	163.33

	Year 2014-15	Year 2013-14
NOTE 21: OTHER INCOME		
(a) Interest		
(i) From Loan to Kitchen Grace (India) Private Limited	15.62	29.55
(ii) From Term Deposits	-	20.19
(iii) From Term Deposits (held as margin money against Bank Guarantee and other commitments)	9.04	18.44
(iv) From Others	-	5.30
(b) Dividend received		
(i) From Liquid Mutual Funds	-	76.79
(c) Profit on sale of Short Term Investments (Net)	126.83	7.85
(d) Profit on sale of fixed assets (Net)	176.79	223.58
(e) Write-back of provision for statutory liabilities of earlier years	88.97	-
(f) Net gain on foreign currency transaction	4.51	-
(g) Other non-operating income	6.65	5.29
Total	428.40	386.99

Notes to the Audited Financial Statements

For the year ended 31st March, 2015

	Year 2014-15	Year 2013-14
₹ Lakhs		
NOTE 22:		
NOTE 22 (A) COST OF MATERIALS CONSUMED		
Raw Materials Consumed		
Opening Stock	196.59	-
Add : Purchases	936.86	285.19
	1,133.45	285.19
Less: Closing Stock	192.10	196.59
	941.35	88.60
Packing Materials Consumed		
Opening Stock	20.16	-
Add : Acquired pursuant to slump sale	-	7.88
Add : Purchases	417.55	193.79
	437.71	201.67
Less : Closing Stock	24.23	20.16
	413.48	181.51
TOTAL COST OF MATERIALS CONSUMED	1,354.83	270.11
NOTE 22 (B) PURCHASES OF STOCK-IN-TRADE		
Stock-in-trade acquired pursuant to slump sale	-	447.20
Purchase of Stock-in-trade	6,168.15	5,058.05
	6,168.15	5,505.25
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	35.03	-
Work-in-Progress	13.74	-
Stock-in-trade (acquired for trading)	871.08	114.09
Total	919.85	114.09
Stock at the end of the year		
Finished Goods	80.67	35.03
Work-in-Progress	22.71	13.74
Stock-in-trade (acquired for trading)	996.04	871.08
Total	1,099.42	919.85
Changes in Inventories	(179.57)	(805.74)
Increase in excise duty on finished goods	5.04	4.96
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE	(174.53)	(800.78)
	Year 2014-15	Year 2013-14
NOTE 23 : EMPLOYEE BENEFITS EXPENSE		
Salaries and wages	1,518.22	889.68
Payments for deputed employees	160.92	40.43
Contribution to Provident and other Funds (Refer Note: 37)	85.10	17.60
Staff welfare expenses	51.95	25.45
	1,816.19	973.16

Notes to the Audited Financial Statements

For the year ended 31st March, 2015

	₹ Lakhs	
	Year 2014-15	Year 2013-14
NOTE 24: OTHER EXPENSES		
Auditors' remuneration (Refer note 27)	25.28	22.42
Advertisement and Sales promotional expenses	1,089.17	957.69
Bad debts written off	15.30	-
Bank Charges	11.77	14.19
Cash discount	142.06	67.94
Commission and Brokerage	85.90	63.65
Contract Manpower expenses	149.33	105.32
Electricity Expenses	45.58	36.21
Miscellaneous expenses	49.67	55.68
Freight and handling charges	142.38	121.29
Information Technology Expenses	57.34	13.08
Installation Charges	137.09	110.33
Insurance	23.63	9.59
Legal and professional expenses	163.79	83.58
Net loss on foreign currency transactions	-	13.44
Printing, stationery and communication expense	33.42	22.91
Provision for doubtful debts and advances	(2.82)	3.24
Processing charges	717.82	48.03
Rates and Taxes	181.68	188.97
Rent (Refer note 36)	381.29	232.98
Repairs and Maintenance:		
Buildings	18.32	12.03
Machinery	0.05	0.02
Other assets	43.65	31.97
Telephone Expenses	37.92	28.84
Travelling expenses	257.02	131.30
	3,806.62	2,374.70
	Year 2014-15	Year 2013-14
NOTE 25: FINANCE COSTS		
Interest on Short Term Borrowings from Banks	12.09	25.69
Interest On Unsecured Loans	-	13.61
Interest On Trade Deposit	1.24	-
Other Interest	30.54	18.23
Total	43.87	57.53

Notes to the Audited Financial Statements

For the year ended 31st March, 2015

26. Contingent Liabilities and Commitments :

a) Contingent Liabilities

	As at 31.03.15	₹ Lakhs As at 31.03.14
1. Claims against the Company not acknowledged as debts		
i. Tax matters in dispute under appeal	-	10.53

b) Commitments:

	As at 31.03.15	₹ Lakhs As at 31.03.14
1. Estimated amount of contracts remaining to be executed on capital account and not provided for	15.74	27.14
2. Letters of Credit and Bank Guarantee issued by bankers and outstanding as on 31st March, 2015	96.96	85.58

27. Auditors' Remuneration (including service tax)

	2014-2015	₹ Lakhs 2013-2014
Statutory audit fee	7.42	6.74
Taxation Matters	17.86	12.87
Other services	-	2.81
Total	25.28	22.42

28. a) Raw materials consumed

	2014-2015	₹ Lakhs 2013-2014
Aluminium & Diecasts	35.74	2.33
Board	449.67	35.38
Cabinet Hardware	18.04	6.30
Edgeband	55.35	4.97
Glue	13.99	3.38
Laminates	156.42	20.73
Paint	166.93	5.79
Others	45.21	9.72
Total	941.35	88.60

b) Stock and Turnover

Products	Sales Value	Closing Inventory	Opening Inventory
a) Manufactured Goods			
Kitchen Components	2,383.73 (125.07)	80.67 (35.03)	35.03 (-)
b) Traded Goods			
Kitchen components	9,483.66 (7660.82)	996.04 (871.08)	871.08 (114.09)
Total	11,867.39 (7,785.89)	1076.71 (906.11)	906.11 (114.09)

Figures in brackets pertain to 2013-14

Notes to the Audited Financial Statements

For the year ended 31st March, 2015

29. CIF value of imports:

	₹ Lakhs	
	2014-2015	2013-2014
a. Capital goods	11.76	53.98
b. Traded goods (Kitchen components)	2000.27	996.90

30. Value of Imported and Indigenous Raw Materials and Spares consumed and percentage of each to Total Consumption:

	₹ Lakhs			
	2014-15		2013-14	
	(₹ In lakhs)	% to Total	(₹ In lakhs)	% to Total
a. Raw materials:				
1. Imported (including value of consumption of imported raw materials purchased through indigenous sources)	75.28	8	-	-
2. Indigenous	866.07	92	88.60	100
b. Spares	-	-	-	-

31. Expenditure in foreign currency:

	₹ Lakhs	
	2014-15	2013-14
a. Travelling and Training Expenses	1.68	4.51
b. Staff welfare expenses	0.65	1.15
Total	2.33	5.30

32. Earnings in foreign currency:

	₹ Lakhs	
	2014-15	2013-14
a. Export of traded goods at FOB value	-	0.79
b. Sales Commission	8.86	-

33. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2014-15, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.

	₹ Lakhs	
	2014-15	2013-14
(i) Principal amount remaining unpaid (but within due date as per the MSMED Act)	102.70	68.41
(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.

Notes to the Audited Financial Statements

For the year ended 31st March, 2015

34. 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 as under:

Currency	Payable (In Lacs FC)		Receivable (In Lacs FC)		Payable (₹In Lacs)		Receivable (₹ In Lacs)	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
EUR	0.07	0.34	0.61	0.04	5.93	28.79	43.56	3.14
USD	0.01	-	0.95	0.86	0.68	-	59.57	51.59
JPY	-	-	21.44	-	-	-	11.25	-

35. 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	
	2014-2015	2013-2014
Opening Balance	346.52	132.09
Additions pursuant to purchase of net assets on slump sale basis (Refer note: 40)	-	226.54
Additions during the year	20.40	-
Utilizations	50.11	12.11
Reversals	88.97	-
Closing Balance	227.83	346.52

36. Pursuant to Accounting Standard (AS-19) – Leases, the following information is given:

- a) The Company has taken certain assets such as office premises, showrooms & vehicles on an operating lease basis. The lease rentals are payable by the company on a monthly or quarterly basis.
- b) Future minimum lease rentals payable as at 31st March, 2015 as per the lease agreements:

Minimum Lease rental payable	As at 31st March 2015	As at 31st March 2014
i) Not later than 1 year	268.42	252.27
ii) Later than 1 year but not later than 5 years	405.47	372.14
iii) Later than 5 years	-	-

- c) Lease payments recognised in the Statement of Profit or Loss for the period is ₹381.29lakhs (Previous year ₹232.98lakhs).

37. 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 Audited Financial Statements

For the year ended 31st March, 2015

₹ Lacs

	Funded	Unfunded
Gratuity Bene fit Plans		
Amount recognised in Balance Sheet	31-Mar-15	31-Mar-14
Present value of obligations	98.88	65.73
Fair value of plan assets	70.00	-
Net Liability / (Asset)	28.88	65.73
Amounts in Balance Sheet		
Liability	28.88	65.73
Assets	-	-
Net Liability / (Assets)	28.88	65.73
Expense Recognised in the Statement of Profit & Loss		
Opening defined benefit obligation less benefits paid	-	-
Current service cost	18.08	21.11
Interest on defined benefit obligation	6.45	4.76
Expected return on plan assets	(4.24)	-
Net actuarial losses / (gains) recognized in year	11.75	(36.02)
Past service cost	-	-
Total, included in "Employee e Benefit Expense"	32.04	(10.15)
Actual return on plan assets	4.24	-
Reconciliation of benefit obligations and plan assets for the Period		
Change in define d be ne fit obligation		
Opening defined benefit obligation	65.73	28.06
Current service cost	18.08	21.11
Interest cost	6.45	4.76
Actuarial (gain)/losses	11.75	(36.02)
Past Service Cost	-	-
Additions pursuant to BTA	-	48.47
Benefits paid	(3.14)	(0.66)
Closing defined benefit obligation	98.88	65.73
Change in fair value of as sets		
Opening fair value of plan as sets	-	-
Expected return on plan assets	4.24	-
Actuarial gain / (losses)	-	-
Contributions by employer	68.90	0.66
Benefits paid	(3.14)	(0.66)
Acquisition/Business	-	-
Combination/ Divestiture	-	-
Closing fair value of plan as sets	70.00	-

As set 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%	0.00%
Total	100.00%	0.00%

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	70.00	-	-	-	-
Projected Benefit Obligation, End of Period	98.88	65.73	28.06	-	-
(Surplus)/Deficit in the Plan	28.88	65.73	28.06	-	-
Experience Adjustments on Plan Assets	-	-	-	-	-
(Gains)/losses due to change in Assumptions	5.81	-	-	-	-
Experience (Gains)/Losses on PBO	5.95	(36.02)	-	-	-
Total (Gain)/Loss on PBO	11.75	(36.02)	-	-	-

Notes to the Audited Financial Statements

For the year ended 31st March, 2015

- i) **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 7.78% (Previous year 9.15%)
- ii) **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 7.75% (Previous year NA)
- iii) **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 12 % (Previous year 12%)

Notes :

- i) As at 31st March 2015, the gratuity fund assets and liabilities are managed by Sleek International Pvt. Ltd. Employees' Group Gratuity Trust by entering into a Scheme of Insurance for this purpose with the Life Insurance Corporation of India.
- ii) The Company estimates that the balance amount to be contributed to the gratuity fund during the financial year 2015-2016 will be ₹ 28.88 lakhs (Previous Year ₹ 65.73 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 ₹ 16.90 lakhs (Previous year ₹ 4.62 lakhs).

Assumptions considered for Actuarial Valuation:

a. Economic Assumptions

	₹ Lacs	
	31st March, 2015	31st March, 2014
Discount Rate	7.78%	9.15%
Basic salary increases allowing for regular increase / price inflation / promotional increase	12.00%	12.00%

b. Demographic Assumptions

	₹ Lacs	
	31st March, 2015	31st March, 2014
Mortality	Indian Assured Lives Mortality (2006-08) ultimate	Indian Assured Lives Mortality (2006-08) ultimate
Employee Turnover	0-2yrs - 30.00%, 2-8yrs-25.00%	0-2yrs - 25.00%, 2-8yrs-20.00%
Leave Availment Ratio	Above 8 yrs - 5% 2%	Above 8 yrs - 5% 5%

Notes to the Audited Financial Statements

For the year ended 31st March, 2015

38. Loss Per Share:

	₹ Lacs	
	2014-2015	2013-2014
a) Basic and diluted loss per share before and after extraordinary items in rupees (face value ₹ 10/- per share)	1369.57	384.06
b) Loss after tax before and after extraordinary items as per Statement of Profit or Loss (₹In Lakhs)	1673.34	371.27
c) Weighted average number of equity shares outstanding	122,180	96,670

39. 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 – Asian Paints Limited

(b) Subsidiaries:

Direct Subsidiary:

Name of the Company	Country of Incorporation	Accounting Period	% of Holding as on 31st March 15	% of Holding as on 31st March 14
Kitchen Grace (India) Private Limited	India	1st Apr 2014 – 31st Mar 2015	100%	86.01%

(c) Key Managerial personnel:

Name of the Director	Designation
Mr. Rajesh Ahuja	Managing Director
Mr. Monesh Ahuja	Executive Director

(d) Promoters and their relatives having control:

Directors/Promoters:

Mr Rajesh Ahuja

Mr Monesh Ahuja

Relatives of Directors/Promoters:

Mr Thakur Ahuja (Father of Mr Rajesh Ahuja and Mr Monesh Ahuja)

Mrs Jyoti Ahuja (Mother of Mr Rajesh Ahuja and Mr Monesh Ahuja)

(e) Companies/Partnership firms / Proprietorship/ HUF controlled by Directors/Relatives of Directors :

Satyadharma Investments & Trading Company Private Limited	Ricinash Oil Mill Limited	Germinait Solutions Private Limited
ELF Trading and Chemical Manufacturing Ltd	Informate Mobile Intelligence Pvt. Ltd.(Till 31.3.2014)	Cross-Tab Marketing Services Pvt. Ltd
Borderless Access Panels Pvt. Ltd.(Till 31.3.2014)	Blueocean Market Intelligence Services Pvt.Ltd.(Till 31.3.2014)	Justlegal Corporate Advisors Pvt Ltd
Quasar Consolidated Services Private Limited	Kitchen Creations Private Limited	Palmleaf Furnitech Private Limited
M/S MRJ Industries	Thakur T. Ahuja HUF	M/S Kitchen creations
M/S ESS ESS Industries	M/S Sleek International	Star Solutions
Monesh T. Ahuja HUF		

Notes to the Audited Financial Statements

For the year ended 31st March, 2015

(f) Subsidiaries of the 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

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

Notes to the Audited Financial Statements

For the year ended 31st March, 2015

Subsidiary of Universal Paints Limited:

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

(g) Employee benefit funds where control exists–

SleekFoundation Trust

Sleek International Pvt. Ltd. Employees' Group Gratuity Trust

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

Sl. no.	Particulars	Companies/ Firms/So leprop/ HUF controlled by Directors/Relatives		Key Management Personnel		Holding Co		Subsidiary 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	2014-15 ₹ in lakhs	2013-14 ₹ in lakhs
I	Purchases of traded goods : M/S Sleek International		179.33										
	Palmleaf Furnitech Private Ltd	0.23	160.21										
	Kitchen Grace (India) Private Ltd							22.32	869.56				
	M/S Ess Ess Industries	429.69	312.73										
II	Sales of traded goods : M/S Kitchen Creations		2.99										
	Kitchen Grace (India) Private Ltd							114.03	66.97				
III	Installation charges paid to : Prop.Star Solutions		4.23										
IV	Commission charges received : Kitchen Grace (India) Private Ltd								85.64				
	Palmleaf Furnitech Private Ltd		54.18										
V	Deposits given : Mr. Monesh T. Ahuja		17.76										
	Mr. Rajesh T. Ahuja		17.76										
	Mr. Thakur T. Ahuja										17.76		
VI	Leave and License security deposits given, now refunded :	0.87											
	Monesh T. Ahuja HUF												
	Thakur T. Ahuja HUF	1.00											
	M/S MRJ Industries	1.50											
VII	Rent Paid to : M/S Sleek International		0.70										
	M/S MRJ Industries	4.97	3.38										
	Monesh T. Ahuja HUF		0.84										
	Thakur T. Ahuja HUF		0.93										
	Mr. Monesh T. Ahuja			40.73	15.39								
	Mr. Rajesh T. Ahuja			40.73	15.39								
	Mr. Thakur T. Ahuja									40.73	15.39		
VIII	Professional Fees paid to:- Mr. Thakur T. Ahuja									4.63	7.75		
IX	Net assets purchased on Slump sale basis (Refer Note : 40) M/S Sleek International		6,117.00										
X	Remuneration to Directors : Mr. Thakur T. Ahuja										5.98		
	Mr. Monesh T. Ahuja			54.45									
	Mr. Rajesh T. Ahuja			51.93									
XI	Repayment of loans taken : Mrs Jyoti T. Ahuja										69.49		
	Mr. Monesh T. Ahuja				214.54								
	Mr. Thakur T. Ahuja				83.33						143.31		
	Mr. Rajesh T. Ahuja				337.18								
XII	Loans given and (Repayment) : Kitchen Grace (India) Private Ltd							(230.00)	300.00				

Notes to the Audited Financial Statements

For the year ended 31st March, 2015

Sl. no.	Particulars	Companies/ Firms/So leprop/ HUF controlled by Directors/Relatives		Key Management Personnel		Holding Co		Subsidiary 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	2014-15 ₹ in lakhs	2013-14 ₹ in lakhs
XIII	Interest received on loan given : Kitchen Grace (India) Private Ltd							15.62	29.55				
XIV	Interest paid on loan taken : Mr. Rajesh T. Ahuja Mr. Monesh T. Ahuja Mr. Thakur T. Ahuja Mrs Jyoti T. Ahuja				12.55 0.87						0.02 0.18		
XV	Reimbursement of expenses paid : Palmleaf Furnitech Private Ltd M/S Kitchen Creations M/S Sleek International Kitchen Grace (India) Private Ltd Asian Paints Limited	1.08	7.75 7.32			38.26	89.85	0.79	4.41				
XVI	Serviced Paid : Asian Paints Limited					254.28							
XVII	Reimbursement of expenses received: M/S Sleek International M/S Kitchen Creations Asian Paints Limited	0.75	0.37 1.42				1.62						
XVIII	Loan taken from : Mr. Rajesh T. Ahuja Mr. Monesh T. Ahuja Mr. Thakur T. Ahuja				337.17 214.54 83.33								
XIX	Assets Purchased/ (sold) Kitchen Creations Kitchen Grace (India) Private Ltd M/S Ess Ess Industries		15.00 (13.50)						65.19				
XX	Investment in Kitchen Grace (India) Pvt. Ltd. Kitchen Grace (India) Private Ltd							272.23	1,196.33				
XXI	Issue of Equity shares to Asian Paints Limited - Equity Shares Asian Paints Limited - Securities Premium Mr. Rajesh T. Ahuja - Equity Shares Mr. Rajesh T. Ahuja - Securities Premium Mr. Monesh T. Ahuja - Equity Shares Mr. Monesh T. Ahuja - Securities Premium		0.57 1,099.50 0.41 791.71			6.23 11,942.09							
XXII	Processing Charges paid : Kitchen Grace (India) Private Ltd							727.38	48.00				
XXIII	Contributions during the year SIPL Employee's Group Gratuity Trust Sleek Foundation Trust											68.90 0.14	0.31
Balances as at year end (31st March 2015/ 2014)													
I	Trade payables : Palmleaf Furnitech Private Ltd Kitchen Grace (India) Private Ltd M/S Ess Ess Industries Asian Paints Limited	1.14	3.54 27.72			32.91	32.32	123.37	238.38				
II	Trade Receivables: M/S Sleek International Palmleaf Furnitech Private Ltd	0.75 1.09											
III	Loan Given to: Kitchen Grace (India) Private Ltd		16.38					70.00	300.00				
IV	Lease & License security deposits paid : Monesh T. Ahuja H.U.F. Thakur T. Ahuja H.U.F. M/S MRJ Industries Mr. Thakur T. Ahuja Mr. Rajesh T. Ahuja Mr. Monesh T. Ahuja	0.13 1.50 17.76 17.76	1.00 1.00 3.00 17.76 17.76							17.76	17.76		
V	Interest to be received Kitchen Grace (India) Private Ltd							2.98					

Notes to the Audited Financial Statements

For the year ended 31st March, 2015

1. Key management personnel and relatives of promoters 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.
2. Remuneration paid to directors who are under the employment of the Company has been paid within the limits mentioned under Section 197 of Companies Act, 2013.

40. Purchase of net-assets on slump sale basis during the Previous Year:

During the Previous year On 2nd August 2013, the Company has acquired certain assets and liabilities of M/s Sleek International (a partnership firm, involved in the business of trading in kitchen components) vide a slump sale transaction for a consolidated price of ₹ 6,117.00 lakhs. The consideration so paid had been apportioned to various assets on a fair basis as determined by competent valuers. The acquisition had resulted in recognition of goodwill of ₹ 1428.61 lakhs.

41. Segment Reporting

Since the Company has only one reportable segment, viz. kitchen and kitchen components, segment report as per Accounting Standard 17 – Segment Reporting as specified in the Companies (Accounting Standard) Rules, 2006 (as amended) is not applicable.

42. Scheme of Merger with KGIPL

The Board of Directors of the Company at their meeting on 14th Jan, 2015 have approved a scheme of amalgamation of the Company's 100% subsidiary, Kitchen Grace (India) Private Limited with Sleek International Private Limited, pursuant to the provisions of section 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 required scheme in the High Court.

43. Previous year's figures have been regrouped, reclassified wherever necessary to correspond with the current year classification and disclosure. The current year figures are not comparable with the previous year figures on account of purchase of net assets on slump sales basis in the previous year on 2nd Aug.2013 (Refer note: 40).

Signatures to Notes to Financial Statements (Note 1 to 43)

As per our Report of Even Date		For and on behalf of the Board of Sleek International Pvt Ltd CIN No. U31300MH1993PTC070859	
For Doshi Praveen & Co Chartered Accountants Firm Reg. No. 102742W	For B S R & Co. LLP Chartered Accountants Firm Reg. No. 101248W/W100022	Manish Choksi Director DIN No. 00026496	Pragyan Kumar Director DIN No. 06641187
Praveen K Doshi Proprietor M.No. 042112	Bhavesh Dhupelia Partner M.No. 042070	Rajesh T. Ahuja Managing Director DIN No. 00371406	Monesh T. Ahuja Director DIN No. 02591030
		Chaitanya Dabholkar CFO	
Mumbai Date : 30th April 2015	Mumbai Date : 30th April 2015	Mumbai Date : 30th April 2015	Mumbai Date : 30th April 2015