

## MARICO KAYA ENTERPRISES LIMITED

PART I		(Rs. in Lacs)
STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE PERIOD FROM JANUARY 19, 2013 TO MARCH 31, 2014		
Particulars	Period from January 19, 2013 to March 31, 2014 (Audited)	
<b>1 Income from operations</b>		
a. Net Sales/Income from operations		36,241.81
b. Other Operating Income		4.29
<b>Total Income from operations(net)</b>		<b>36,246.10</b>
<b>2 Expenses</b>		
a Cost of material consumed		4,078.57
b Purchase of stock in trade		21.31
c Change in inventory of finished goods, work in progress and stock in trade (Increase)/ decrease		(191.62)
d Employee benefits expenses		12,833.55
e Depreciation and amortisation expense		1,576.78
f Rent		4,160.16
g Other expenses		11,749.44
<b>Total Expenses</b>		<b>34,228.19</b>
<b>3 Profit from operations before other income, finance cost and Exceptional Items(1-2)</b>		<b>2,017.91</b>
<b>4 Other Income</b>		<b>441.83</b>
<b>5 Profit from ordinary activities before finance cost and Exceptional Items (3+4)</b>		<b>2,459.74</b>
<b>6 Finance Cost</b>		<b>225.48</b>
<b>7 Profit from ordinary activities after finance cost but before Exceptional Items (5-6)</b>		<b>2,234.26</b>
<b>8 Exceptional Items</b>		<b>2,148.59</b>
<b>9 Profit from ordinary activities before tax (7+8)</b>		<b>4,382.85</b>
<b>10 Tax expenses</b>		<b>881.09</b>
<b>11 Net Profit from ordinary activities after tax (9-10)</b>		<b>3,501.76</b>
<b>12 Extraordinary Item (net of tax)</b>		<b>-</b>
<b>13 Net Profit for the period (11-12)</b>		<b>3,501.76</b>
<b>14 Share of Profit/(Loss) of associates</b>		<b>-</b>
<b>15 Minority Interest</b>		<b>-</b>
<b>16 Net Profit after taxes, minority interest and share of profit/(loss) of associates (13-14-15)</b>		<b>3,501.76</b>
<b>17 Paid up Equity Share Capital (Face value Re 10 per share)</b>		<b>1,289.71</b>
<b>18 Reserves excluding Revaluation Reserves (as per audited Balance Sheet)</b>		<b>32,747.86</b>
<b>19 Earning Per Share (EPS) Not Annualised (In Rs.)</b>		
i EPS before Extraordinary items for the period		
a Basic		32.32
b Diluted		32.32
ii EPS after Extraordinary items for the period		
a Basic		32.32
b Diluted		32.32



**MARICO KAYA ENTERPRISES LIMITED**

**PART II**

**SELECT INFORMATION FOR THE YEAR PERIOD FROM JANUARY 19, 2013 TO MARCH 31, 2014**

Particulars	Period ended March 31, 2014
<b>A PARTICULARS OF SHARE HOLDING</b>	
<b>1 Public Shareholding</b>	
- Number of shares	51,98,551
- Percentage of shareholding	40.31%
<b>2 Promoters &amp; Promoter Group Shareholding</b>	
(a) Pledged/Encumbered	
- Number of shares	-
- Percentage of shareholding (as a % of total shareholding of promoters and promoter group)	-
- Percentage of shareholding (as a % of total share capital of the company)	-
(b) Non-encumbered	
- Number of shares	76,98,549
- Percentage of shareholding (as a % of total shareholding of promoters and promoter group)	100%
- Percentage of shareholding (as a % of total share capital of the company)	59.69%

PARTICULARS	Period ended March 31, 2014
<b>B INVESTOR COMPLAINTS</b>	
Pending at the beginning of the year	Nil
Received during the year	Nil
Disposed off during the year	Nil
Remaining unresolved at the end of the year	Nil

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## MARICO KAYA ENTERPRISES LIMITED

(Rs. In Lacs)

## STATEMENT OF ASSETS AND LIABILITIES - MARICO KAYA ENTERPRISES LIMITED - CONSOLIDATED

Particulars	As at March 31, 2014 (Audited)
<b>A EQUITY &amp; LIABILITIES</b>	
<b>1 Shareholder's funds</b>	
(a) Share Capital (Note 4)	1,289.71
(b) Reserves and Surplus (Note 4)	32,747.86
Sub-total Shareholder's Funds	34,037.57
<b>2 Non-current liabilities</b>	
(a) Other Long terms Liabilities	351.83
Sub-total Non Current Liabilities	351.83
<b>3 Current Liabilities</b>	
(a) Trade Payable	1,810.15
(b) Other Current Liabilities	9,668.50
(c) Short Term provisions	1,611.68
Sub-total Current Liabilities	13,090.33
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>47,479.73</b>
<b>B ASSETS</b>	
<b>1 Non Current Assets</b>	
(a) Fixed Assets	1,893.60
(b) Goodwill on Consolidation	14,294.75
(c) Long term loans and advance	1,480.33
(d) Other non current assets	27.32
Sub-total Non Current Assets	17,696.00
<b>2 Current Assets</b>	
(a) Goodwill on Consolidation	5,507.01
(b) Current Investment	17,037.19
(c) Inventories	2,471.25
(d) Trade Receivable	36.66
(e) Cash and Bank Balances	1,459.74
(f) Short term loans and advance	1,851.68
(g) Other Current Assets	1,420.20
Sub-total Current Assets	29,783.73
<b>TOTAL ASSETS</b>	<b>47,479.73</b>



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**Notes to the Marico Kaya Enterprises Limited Consolidated financial results:**

1. The information presented for the period from January 19, 2013 (Date of incorporation of the Company) to March 31, 2014 is extracted from the audited financial statements for the period ended March 31, 2014. The said financial statements and results for the period from January 19, 2013 (Date of incorporation of the Company) to March 31, 2014 were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on June 19, 2014 and are available on the Company's website - <http://www.maricokaya.com>.
2. The Consolidated financial results for the quarter and period from January 19, 2013 (Date of incorporation of the Company) to March 31, 2014 comprise results of Marico Kaya Enterprise Limited and its subsidiaries and step down subsidiaries in Singapore and UAE. (Refer Note 6) All the aforesaid entities are collectively called 'Marico Kaya Enterprises Limited'.
3. The Company has only one reportable segment- "Skin Care Business"- in terms of Accounting Standard 17 "Segment Reporting" mandated by Rule 3 of the Companies (Accounting Standards) Rules, 2006.
4. Pursuant to the Scheme of Arrangement (the 'Scheme') under Sections 391 to 394 read with Sections 78, 100 to 103 of the Companies Act, 1956 between Marico Limited ('Marico') and the Company and their respective shareholders and creditors, skin care business of Marico, as sanctioned by the Hon'ble High Court of Bombay, vide its order dated September 27, 2013, and thereafter filed with Registrar of Companies on October 17, 2013, has been transferred by way of demerger to the Company on a going concern basis with effect from the appointed date of the Scheme, i.e., April 1, 2013. The net assets acquired pursuant to the Scheme as at March 31, 2013 was Rs. 29,726.73 lacs. In accordance with the Scheme, the difference between the share capital issued (including securities premium) and the net assets acquired has been treated as Capital Reserve.

Further, in terms of the Scheme, the existing share capital of the Company of Rs. 10.00 lacs stands reduced upon the Scheme becoming effective i.e. on October 17, 2013, with corresponding credit to Capital Reserve.

In terms of the Scheme, 12,897,100 equity shares of Rs. 10/- each, fully paid-up, of the Company, at a premium of Rs. 200 per share, have been issued to the holder of Equity shares of Marico Limited whose names were registered in the register of members on the record date, i.e. November 5, 2013, without payment being received in cash, in the ratio of 1 (one) fully paid-up equity shares of Rs. 10/- each of the Company for every 50 (Fifty) fully paid-up equity shares of Rs. 1 held in Marico Limited.

The above equity shares issued to the shareholders of Marico Limited will be listed on the respective stock exchanges where shares of Marico Limited are listed. The Company has initiated the process for listing of equity shares of the Company on BSE Limited and National Stock Exchange of India Limited.



5. "Exceptional Items" for the period ended March 31, 2014 comprised the following.

(Rs. In Lac)

	For the Period from January 19, 2013 to March 31, 2014
Profit on Sale of Derma Rx Aesthetics Pte Limited (Refer note 6)	(5,960.02)
Reversal of provision towards contingent consideration (Refer note (a) below)	(259.45)
Reversal of impairment on fixed assets (Refer note (b) below)	(119.48)
Other Provisions (Refer note (c) below)	340.36
Impairment loss on goodwill on consolidation (Refer note 6)	3,850.00
<b>Total</b>	<b>(2,148.59)</b>

- a. Acquisition of core business of Derma Rx Singapore in 2010 by Kaya Limited was subject to a contingent consideration, which was based upon achievement of certain milestones such as turnover, profit, etc. over a period of three years. Upon final payment / settlement of this consideration during the period, an amount of Rs. 259.45 Lacs has been written back as exceptional item.
- b. During the period ended March 31, 2014, Kaya Limited had reassessed the value in use and accordingly reversed an impairment loss of Rs. 119.48 Lacs as Exceptional item.
- c. Other Provisions relates to a statutory matter.
6. On November 14, 2013, the Board of Directors of Kaya Limited approved the divestment of its investment in Derma Rx International Aesthetics Pte Limited ('DIAL'), along with its step down subsidiaries DRx Clinic Pte. Ltd., DRx Aesthetics Sdn Bhd and DRx Medispa Pte. Ltd (collectively referred as 'DIAL Group') identified as 'Singapore' geographical segment subject to the approval of the shareholders. The shareholders' approval was obtained at the Extra Ordinary General Meeting held on November 15, 2013. As a result, a Share Purchase Agreement was entered on December 1, 2013 for divestment of 100% stake in DIAL Group, which was concluded on January 9, 2014 upon receipt of consideration of SGD 34.48 million (equivalent Rs. 16,800.83 lacs) resulting into a profit of Rs. 5,960.02 lacs (after adjusting the expenditure incurred in relation to divestment of Rs. 2,079.18 lacs).

Accordingly, DIAL Group has been classified as discontinuing operations within these consolidated financial statements.

Further, the Board of Directors of Kaya Ltd has expressed its intention to sell majority of its stake in one of its foreign step down subsidiary Kaya Middle East FZE ('KME'). As a consequence, KME business has also been classified as discontinuing operations within these consolidated financial results. As a consequence, the Company has re-assessed the carrying

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value of the net assets and goodwill on consolidation pertaining to KME and accordingly, a loss on impairment of Rs. 3,850.00 Lacs towards goodwill on consolidation is recognized and included in "Exceptional Items" in the Statement of Profit and Loss.

The discontinuing operations on account of above comprise results of Kaya Middle East FZE, Derma-Rx International Aesthetics Pte. Ltd, The Drx Clinic Pte Ltd, The DRx Medispa Pte. Ltd, and Drx Aesthetics sdn. Bhd.

Carrying amounts of the total assets and total liabilities as at March 31, 2014 in respect of discontinuing operations are:

Particulars	KME (Rs. In Lacs)	DIAL Group (Rs. In Lacs)
Total assets	9,981.68	--
Total liabilities	4,490.05	--

Amount of revenue, expenses, pre - tax profit and tax in respect of the ordinary activities attributable to the discontinuing operations in Consolidated Statement of Profit and Loss for the period ended March 31, 2014 is as under:

Particulars	KME (Rs. In Lacs)	DIAL Group (Rs. In Lacs)
Revenue	13,768.10	7,218.66
Operating expenses	13,096.36	5,478.67
Exceptional items - income / (expense)	(3,850.00)	(259.45)
Pre-tax profits / (loss)	(3,178.26)	1,999.44
Tax expenses	--	316.59
Post-tax profits / (Loss)	(3,178.26)	1,682.85

7. These Consolidated financial results include net profit of Rs. 3,574.12 lacs and net assets of Rs. 40,981.29 lacs as at March 31, 2014, relating to subsidiaries acquired pursuant to the Scheme of Arrangement (Refer Note 4).



8. Following are the particulars of the Company (on a standalone basis) :

*(Rs. in Lacs)*

Particulars	For the period from January 19, 2013 to March 31, 2014
	Audited
Net Sales / Income from Operations	78.08
Profit before tax	15.22
Profit after tax	5.72

9. These financial results are drawn for the first time for the period from January 19, 2013 (Date of Incorporation of the Company) to March 31, 2014 and hence there are no previous period figures.

Place: Mumbai

Date: June 19, 2014

  
Harsh Mariwala

Chairman and Wholetime Director

