



KCDTM

(ISO 9001 : 2015)

07th September 2023

**To,
The Chief General Manager
Listing Operation,
BSE Limited,
P. J. Towers, Dalal Street,
Mumbai – 400 001.**

**Scrip Code: 540696
Scrip Id: KCDGROUP**

Dear Sir/Madam,

Subject: Annual Report under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company along with the Notice of the Annual General Meeting for the Financial Year 2022-23.

Further, the same is also available on the website of the company at www.kcdindustries.com as required under Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The 38th Annual General Meeting of KCD Industries India Limited (“the Company”) will be held on Friday, 29th September 2023 at 02:00 P.M. IST through Video Conference (VC)/ Other Audio Video Means (OAVM).

We hereby request you to take the same on your record.

Thanking You,

KCD Industries India Limited

**Rajiv Darji
Managing Director
DIN: 02088219**

KCD INDUSTRIES INDIA LIMITED

Corporate Division

501, Ruby Crescent Business Boulevard,
Ashok Chakravati Road, Above Axis Bank,
Kandivali (East), Mumbai - 400 101.
Tel. : +91 91373 22030
Email : compliance@kcdindustries.com
CIN: L70100MH1985PLC301881



www.kcdindustries.com



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CORPORATE INFORMATION

KCD Industries India Limited

CIN: L70100MH1985PLC301881

Scrip Code: KCDGROUP

Registered Office:

501, 5th Floor, Ruby Crescent Business Boulevard,
Ashok Chakravati Road, Kandivali (East), Mumbai – 400101.

Contact No.:

9137322030

Email Id:

compliance@kcdindustries.com

Website:

www.kcdindustries.com

Company's Management:

Arun Kuttan (DIN: 09844434)

Chairman and Non-executive Director (W.e.f. 04.01.2023)

Rajiv Darji (DIN: 02088219)

Managing Director and CFO

Sagar Shetty (DIN: 09213119)

Non-executive Director

Pratik Popat (DIN: 08415025)

Independent Director

Minal Panchal (DIN: 08415023)

Independent Director

Company Secretary and Compliance Officer:

Pankaj Yadav

Statutory Auditors:

M/s. Rawka & Associates,

Chartered Accountants, Firm Registration Number: 021606C

Registrar and Share Transfer Agent

Skyline Financial Services Pvt. Ltd.

Add: D-153 A, 1st Floor, Okhla Industrial Area,
Phase-I, New Delhi, Delhi - 110 020.

Email: info@skylinerta.com

Contact No.: 011 - 40450193/94/95/96/97

Website: www.skylinerta.com

Banker

Axis Bank Limited

OUR PROMOTER

Mr. Rajiv Darji, is the visionary mind behind the KCD, with his experience of over 16 years in the real estate industry. He played the pivotal role in steering the group on the steep path of growth, through prudent financial management. As Managing Director & CFO, he is focused on Finance, Accounts & Audit, Procurement, Asset Management & Budget Control. His financial acumen has enabled a stringent cash management control system, even as his enduring relationship with Bankers and Investors have enabled sustainable growth of the KCD.

Throughout this period, he have accumulated a wealth of knowledge over the course of this time in the fields of law, negotiation, project management, execution, & implementation. His exceptional work ethic has been combined with a strong commitment to always provide his clients the best service & treating their customers as one of the team & as one of our most significant assets is one of his guiding principles. He is frequently referred to as having "service," "quality," "personal attention to consumers," & "integrity" due of his exemplary moral character.

“THERE IS NO SHORTCUT TO SUCCESS, WE HAVE TO TAKE THE STAIRS.”

- Rajiv Darji, Managing Director & CFO

ABOUT US

KEY DRIVERS FOR OUR GROWTH

EXPERIENCED TEAM

Our company is powered by a highly experienced team of technical & managerial personnel partnered with a full fleet and advanced infrastructure to execute.

GLOBAL STANDARDS

We ensure that all their construction projects are built to meet or exceed global standards for safety, quality, & sustainability. We use the latest construction technologies, tools, & materials to ensure that our projects are built to last & are energy efficient.

MARKET GROWTH

Indian real estate sector is expected to reach US\$ 1 trillion in market size by 2030, up from US\$ 200 billion in 2021 & contribute 13% to the country's GDP by 2025. Providing infrastructure for India's growth, retail, commercial & hospitality real estate are also growing significantly.

COMPETITIVE & CONSISTENT

We are in highly competitive industry. Our focus will be striving to maintain a competitive edge by providing consistent, time bound & high-quality services to our clients.

VALUE ENGINEERING PROCESS

We will deepen to identify alternative materials, construction methods, technologies & design elements that can be implemented to reduce costs while still meeting project requirements.

CREATIVE INFRASTRUCTURE

Our goal is in executing a diverse range of infrastructure projects such as Hospitals, Colleges, Commercial/ Residential Constructions, Industrial Structures, Roads & Bridges.

OUR ROAD AHEAD

COMMITTED TOWARDS

VISION

"KCD" envisions to become one of the competitive Infrastructure company in India, in next five years, by consistently implementing Value Engineering Services towards the construction engineering design by providing required services creative Infrastructure for the development of real estate industries.

MISSION

- Diverse range of Infrastructure projects.
- Exceeding clients expectation.
- Create new markets.
- Adopting global best practices.
- Practicing sustainable development.

NOTICE OF 38TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 38th Annual General Meeting (“AGM”) of the members of the KCD Industries India Limited is scheduled to be held on Friday 29th September 2023 at 02:00 P.M. through Video conferencing (“VC”)/Other Audio-visual Means (“OAVM”) to transact the following businesses:

ORDINARY BUSINESSES:

- 1. To consider and adopt the Audited Financial Statements of the Company for the Financial Yearended 31st March 2023 and the report of the Board of Director’s and Auditor’s thereon.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

“RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended on 31st March 2023 and the Reports of the Board of Directors and the Auditors thereon, as circulated to the members, be and are hereby received, considered and adopted.”

- 2. To re-appoint Mr. Sagar Shetty (DIN: 09213119), who retires by rotation and being eligible, offers himself for re-appointment.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

“RESOLVED THAT Mr. Sagar Shetty (DIN: 09213119), who retires by rotation from the Board of Directors pursuant to the provisions of Section 152 of the Companies Act, 2013 be and is hereby re-appointed as a Director of the Company.

RESOLVED FURTHER THAT any of the Directors for the time being are hereby severally authorized to sign and execute all such documents and papers (including appointment letter etc.) as may be required for the purpose and file necessary e-form with the Registrar of Companies and to do all such acts, deeds and things as may considered expedient and necessary in this regard.”

SPECIAL BUSINESSES:

- 3. To appoint Statutory Auditors to fill casual vacancy:**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of section 139(8) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment (s) thereof for the time being in force, M/s. Rawka & Associates, Chartered Accountants (FRN: 021606C), be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Sayed & Associates, Chartered Accountants (FRN.: 133736W).

RESOLVED FURTHER THAT M/s. Rawka & Associates, Chartered Accountants, (FRN: 021606C), be and are hereby appointed as Statutory Auditors of the Company from this Annual General Meeting till the conclusion of Annual General Meeting to be held in the year 2024 at such remuneration and reimbursement of out of pocket expenses incurred as may be mutually agreed between the Board of Directors of the Company and the Auditors.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do all such acts, deeds and things as may be deemed necessary and expedient to give effect to the aforesaid resolution.”

By Order of the Board of Directors
For KCD Industries India Limited

Sd/-

Rajiv Darji

Managing Director

DIN: 02088219

Date: 06th September 2023

Place: Mumbai

NOTES:

1. Pursuant to the General Circular No. 20/ 2020 dated 5th May 2020 read with other relevant circulars including 10/ 2022 dated 28th December 2022 issued by the Ministry of Corporate Affairs ('MCA') (collectively referred to as 'MCA Circulars'), the Company is convening the Annual General Meeting ('AGM') through Video Conferencing ('VC')/ Other Audio-Visual Means ('OAVM'), without the physical presence of the Members at common venue and The Securities and Exchange Board of India ("SEBI") also vide its Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January 2023 ("SEBI Circular") has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015 ("Listing Regulations"). In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM on Friday, 29th September 2023 at 02:00 P.M.. The deemed venue for the 38th AGM will be 501, 5th Floor, Ruby Crescent Business Boulevard, Ashok Chakravati Road, Kandivali (East), Mumbai – 400 101.
2. Pursuant to the provisions of the act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA circulars through VC or OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA circulars and the SEBI circular, the facility for appointment of proxies by the members will not be available for this AGM. Hence, the proxy form, attendance slip and route map of AGM are not annexed to this notice.
3. Notice of the AGM of the Company, *inter alia*, indicating the process and manner of e-voting along is being sent to the members whose names appear on the Register of Members/List of Beneficial Owners as received from the National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") as on Friday, 22nd September 2023 (Record Date).
4. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the special businesses is annexed hereto. The relevant details, pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM are also annexed.
5. Member(s) whose names appear on the Register of Members/List of Beneficial Owners as on the cut-off date will be entitled to vote on the resolutions set forth in this Notice. The instructions for e-voting are annexed to this Notice.
6. The Board of Directors of the Company ("the Board"), has appointed Jaymin Modi & Co., Company Secretaries (COP: 16948) as the Scrutinizer, for conducting the e-voting process in a fair and transparent manner.
7. As required by Rule 20 of the Companies (Management and Administration) Rules, 2014 read with MCA Circulars and the Listing Regulations, the details pertaining to this AGM will be published in one English national daily newspaper circulating throughout India (in English language) and one in vernacular language in that district (in Marathi Language) in which registered office of the Company is situated.
8. To support the "Green initiative" members who have not registered their e-mail addresses so far are requested to register their e-mail address with the company's RTA or Depository Participants, in respect of shares held in physical/electronic mode respectively.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND JOINING VIRTUAL AGM ARE AS UNDER:

1. Pursuant to the Circular No. 14/2020 dated 08th April 2020, Circular No.17/2020 dated 13th April 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated 05th May 2020 and Circular No. 02/2021 dated 13th January 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated 08th April 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated 13th April 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.kcdindustries.com. The Notice can also be accessed from the websites of the BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

The remote e-voting period begins on Tuesday 26th September 2023 at 9:00 A.M. and ends on Thursday, 28th September 2023 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, 22nd September 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of

the Company as on the cut-off date, being Friday, 22nd September 2023.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

In terms of SEBI circular dated 09th December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

	<p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email

sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "[Forgot User Details/Password?](#)"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to info@csjmco.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to compliance@kcdindustries.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to compliance@kcdindustries.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. [Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.](#)
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM” placed under “**Join meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of

Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at compliance@kcdindustries.com. The same will be replied by the company suitably.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH RULES MADE THERETO (THE "ACT") AND SEBI (ICDR) REGULATIONS IS AS FOLLOWS:

Item no.: 03

M/s. Sayed & Associates, Chartered Accountants (Firm Registration No.: 133736W) had resigned from the post of Statutory Auditors due to pre-occupancy in other assignments, resulting into a casual vacancy in the office of the Statutory Auditors of the company.

As envisaged by section 139 (8) of the Companies Act, 2013, casual vacancy caused by the resignation of auditor can be filled by the shareholders in General Meeting within three months from the date of recommendation of the Board of Directors of the Company.

The Board of Directors in their meeting held on 06th September 2023 filled the casual vacancy by appointing M/s. Rawka & Associates, Chartered Accountants, (FRN: 021606C). Further they recommend appointment of M/s. Rawka & Associates to members of the Company.

M/s. Rawka & Associates have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013.

Accordingly, Ordinary Resolution is submitted to the meeting for the consideration and approval of members.

None of the Directors, Key Managerial Persons or their relatives, in any way, concerned or interested in the said resolution.

The Board, therefore, recommends resolution set out under business Item No.03 for approval of the shareholders by way of Ordinary Resolution.

ANNEXURE TO THE NOTICE

[Reg 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

DETAILS OF DIRECTOR PROPOSED TO BE APPOINTED:

Name of the Director	Sagar Shetty
DIN	09213119
Date of Birth	27 th February 1978
Date of Appointment	07 th September 2021
Brief Profile	He has vast experience in the engineering and real estate sector.
Qualification	Graduate
Expertise in Special Functional	Real Estate sector
Directorship held in other Public Limited Companies	Nil
No. of Meetings of the Board attended during the financial year	10 (Ten)
Number of shares held in the Company	Nil
Inter se Relationship with the Board	None

[36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

DETAILS OF STATUTORY AUDITOR TO BE APPOINTED

Name of the Auditor	M/s Rawka & Associates
Proposed audit fee payable to auditors	As may be decided between the Board of Directors and Auditors
Terms of appointment	From the conclusion of this AGM upto the conclusion of AGM to be held in year 2024.
Material change in fee payable	None
Basis of recommendation and auditor Credentials	The Audit Committee based on the credentials of the firm and partners, recommends the appointment of M/s. Rawka & Associates, Chartered Accountants as a Statutory Auditor of the Company.

BOARD'S REPORT

To,
The Members,

The Board of Directors are pleased to present the 38th (Thirty Eighth) Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31st March 2023.

1. FINANCIAL PERFORMANCE:

The financial performance of the company can be evaluated on the basis of data provided in the following table. For further details, members are requested to refer financial statements forming part of this annual Report.

Particulars	(Amt. in Rs.)	
	As on 31 st March 2023	As on 31 st March 2022
Total Income	4,75,07,793	(6,34,510)
Earnings Before Taxes and Depreciation	1,67,91,748	42,59,068
(-) Depreciation	26,927	66,258
Profit Before Tax and Exceptional Item	1,67,64,821	41,92,810
(-) Exceptional Item	-	-
Profit Before Tax	1,67,64,821	41,92,810
(-) Provision for Tax (current and deferred)	4,84,240	22,66,496
Profit After Tax	1,62,80,581	19,26,314
EPS	1.63	0.96

2. CHANGES IN THE NATURE OF BUSINESS, IF ANY:

There has been no change in the nature of business of the Company during the financial year 2022- 23.

3. CHANGES IN SHARE CAPITAL:

During the year under review, authorised share capital has been increased from Rs. 2,50,00,000/- (Rupees Two Crores Fifty Lakhs only) to Rs. 12,00,00,000/- (Rupees Twelve Crores only) and face value of equity shares of the Company has been changed from Rs. 5/- (Rupees Five only) to Re. 01/- (Rupee One only) through postal ballot on 06th February 2023.

As on 31st March 2023, Authorized Capital stands at Rs. 12,00,00,000/- (Rupees Twelve Crores only) divided into 12,00,00,000 (twelve Crore) equity shares having face value of Re. 1/- (Rupees One only) and Paid-up Share Capital of the Company stands at Rs. 1,00,00,000/- (Rupees One Crore only) divided into, 1,00,00,000 Equity Shares having face value of Re. 1/- (Rupees One only).

4. TRANSFER TO RESERVES:

During the period under review, no amount is to be transferred to General Reserve.

5. DIVIDEND:

To meet the requirement of funds for standard functioning of the organization, your directors do not recommend any dividend for the year.

6. DETAILS OF SUBSIDIARY/ASSOCIATE/JOINT VENTURE:

The Company does not have any Subsidiary Company, Associate Company or any Joint Venture as on 31st March 2023.

On 04th September 2023, KCD Carmatrix Private Limited was incorporated as subsidiary company of KCD Industries India Limited

7. CORPORATE GOVERNANCE REPORT:

As per Regulation 15(2) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, compliance with the Corporate Governance provisions as specified in regulation 17 to 27 and clause (b) to (i) [and (t)] of sub-regulation (2) of regulation 46 and Para C, D, and E of Schedule V shall not apply to the company having Paid up Equity Share Capital not exceeding Rs. 10 Crore and Net Worth not exceeding Rs. 25 Crore, as on the last day of the previous financial year. The Company is covered under the exception given under Regulation 15(2) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, therefore Company is not required to comply with the said provisions.

8. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report is enclosed as “Annexure – 1” and forms an integral part of this Annual Report.

9. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

Other than as stated elsewhere in this report, there are no material changes and commitments affecting the Financial Position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the Report.

10. BOARD EVALUATION:

In terms of the policy developed by Nomination & Remuneration Committee and pursuant to the provisions of the Companies Act, 203 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own as well as its committees and individual directors. Details of evaluation are provided in Corporate Governance Report forming part of this Annual Report.

11. ANNUAL RETURN:

The Annual Return of the Company as on 31st March 2023 is available on the website of the Company at www.kcdindustries.com

12. DIRECTORS & KEY MANAGERIAL PERSONNEL:

Details of Directors and Key Managerial Personnel during the year and as on date of this report are as follows:

Name	Designation	DIN/PAN	Date of appointment	Date of Resignation
Manish Patel	Chairman & Non-executive Director	03197260	16/08/2019	04/01/2023
Arun Kuttan	Chairman & Non-executive Director	09844434	04/01/2023	-

Rajiv Darji	Managing Director	02088219	30/09/2021	-
Sagar Shetty	Non-executive Director	09213119	07/09/2021	-
Pratik Popat	Independent Director	08415025	08/04/2019	-
Minal Panchal	Independent Director	08415023	08/04/2019	-
Rajiv Darji	Chief Financial Officer	ACHPD1077F	07/09/2021	-
Pankaj Yadav	Company Secretary	AIPY8754B	06/10/2022	-

13. BOARD MEETINGS:

During the year under review, the Board met 10 (Ten) times, i.e. on 25th June 2022, 28th June 2022, 10th August 2022, 06th September 2022, 10th September 2022, 06th October 2022, 10th November 2022, 04th January 2023, 10th February 2023, 24th February 2023.

Attendance of Directors at the Board Meetings was as under:

Sr. No.	Name of the Director	No. of the Board Meeting attended during their tenure
1.	Manish Patel	07 of 07
2.	Arun Kuttan	02 of 02
3.	Rajiv Darji	10 of 10
4.	Sagar Shetty	10 of 10
5.	Pratik Popat	10 of 10
6.	Minal Panchal	10 of 10

14. INDEPENDENT DIRECTOR'S DECLARATION:

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, the Independent Directors possess the requisite expertise and are persons of high integrity. There has been no change in the circumstances affecting their status as independent directors of the Company.

15. STATUTORY AUDITORS:

Pursuant to the provisions of section 139 of the Companies Act, 2013 and rules framed thereunder M/s. Sayed and Associates, Chartered Accountants (FRN: 133736W) were appointed by the members at the 37th Annual General meeting of the Company held on 29th September, 2022 as the Statutory Auditors of the Company for the period of four years till the conclusion of the Annual General Meeting of the Company to be held in the year 2026.

M/s. Sayed and Associates resigned as a statutory auditor of the Company due to pre-occupancy in other assignments. Therefore, to fill the casual vacancy arise due to resignation of M/s. Sayed & Associates, the Board of Directors at their meeting held on 06th September 2023 has appointed M/s. Rawka & Associates (FRN: 021606C) as a Statutory auditor of the Company.

M/s. Rawka & Associates has confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed there under for appointment as Statutory Auditors of the Company.

16. AUDITOR'S REPORT:

The Auditors report does not contain any qualifications, reservations and adverse remarks or disclaimer. The note on financial statements referred to Auditors Report are self-explanatory and do not call for further comments. There has been no instance of fraud reported by the Statutory Auditors during the period.

17. SECRETARIAL AUDITORS:

M/s. Heena Gulrajani & Associates, Company Secretaries, (COP: 25423) was appointed by Board on 21st June 2023 to conduct Secretarial Audit of the company for the FY 2022-23. The Secretarial Audit Report is enclosed as “Annexure – 2” and forms integral part of the Directors Report. The Secretarial Audit report does not contain any reservations or adverse remarks or disclaimers.

18. INTERNAL AUDITOR:

For FY 2022-23, the Board of Directors had appointed M/s. Mohandas & Co., Chartered Accountants (Firm Registration No.:106529W) as Internal Auditors of the Company. The Internal Auditors have been periodically reporting to the Audit Committee with regards to their audit process and key audit findings during the year.

There are no qualifications, reservation or adverse remarks given by Internal Auditors of the Company for the period.

19. COST RECORDS AND COST AUDITORS:

The provisions of Cost Audit and Records as prescribed under Section 148 of the Act, are not applicable to the Company.

20. SECRETARIAL STANDARDS:

The Company has complied with all the applicable provisions of Secretarial Standard on Meetings of Board of Directors (SS-1), Revised Secretarial Standard on General Meetings (SS-2) and other voluntarily adopted Secretarial Standards such as Secretarial Standard on Dividend (SS-3), Secretarial Standard on Report of the Board of Directors (SS-4) issued by Institute of Company Secretaries of India.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of loans, guarantees or investments made under Section 186 of the Companies Act, 2013 are given in the note to the financial statements.

22. PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES:

All contracts/arrangements/transactions entered by the Company with related parties for the year under review were on arm's length basis and in the ordinary course of business. Particulars of contracts or arrangements with related parties in prescribed Form AOC – 3 is annexed herewith at “Annexure – 4”.

23. SIGNIFICANT AND MATERIAL ORDERS:

During the period under review, no material orders have been passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

24. DECLARATION ON INSOLVENCY AND BANKRUPTCY CODE 2016:

Neither any application was made, nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 against the Company.

25. DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

- Conservation of energy is an ongoing process in the Company's activities. Core activities of the Company are not energy intensive activity; therefore, no information need to be

- furnished regarding conservation of energy.
- The Company had not undertaken any research and development activity for any manufacturing activity nor was any specific technology obtained from any external sources, which needs to be absorbed or adapted.
- During the period under review, the Company has not made any expenditure nor made any earnings in foreign currency.

26. COMMITTEES OF THE BOARD:

The Board of Directors have constituted following committees as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- Audit Committee:**

During the year under review Audit Committee met 07 (Seven) times i.e. on 25th June 2022, 28th June 2022, 10th August 2022, 06th September 2022, 10th November 2022, 04th January 2023 and 10th February 2023.

The composition of the Audit Committee is as under:

Sr. No.	Name of the Director	Designation in Committee	No. of meeting attended during their tenure
1.	Pratik Popat	Chairman	07 of 07
2.	Minal Panchal	Member	07 of 07
3.	Manish Patel	Member	05 of 05
4.	Sagar Shetty	Member	01 of 01

* Manish Patel resigned from the post of Director and member of the Committee on 04th January 2023.

* Sagar Shetty appointed as Director and member of the Committee w.e.f. 04th January 2023.

- Nomination and Remuneration Committee:**

During the year under review Nomination and Remuneration Committee met Twice i.e. on 06th September 2022 and 06th October 2022.

The composition of the Nomination and Remuneration Committee is as under:

Sr. No.	Name of the Director	Designation in Committee	No. of meeting attended during their tenure
1.	Pratik Popat	Chairman	02 of 02
2.	Minal Panchal	Member	02 of 02
3.	Manish Patel	Member	02 of 02
4.	Sagar Shetty	Member	NA

* Manish Patel resigned from the post of Director and member of the Committee on 04th January 2023.

* Sagar Shetty appointed as Director and member of the Committee w.e.f. 04th January 2023.

- Stakeholders' Relationship Committee:**

During the year under review Stakeholders' Relationship Committee met 06 (Six) times i.e. on 28th June 2022, 10th August 2022, 06th September 2022, 10th November 2022, 04th January 2023, and 10th February 2023.

The composition of the Stakeholders' Relationship Committee is as under:

Sr. No.	Name of the Director	Designation in Committee	No. of meeting attended during their tenure
1.	Pratik Popat	Chairman	06 of 06
2.	Minal Panchal	Member	06 of 06
3.	Manish Patel	Member	04 of 04
4.	Sagar Shetty	Member	01 of 01

* Manish Patel resigned from the post of Director and member of the Committee on 04th January 2023.

* Sagar Shetty appointed as Director and member of the Committee w.e.f. 04th January 2023.

27. MEETING OF INDEPENDENT DIRECTORS:

The Independent Directors of the Company met on 10th February 2023.

28. CORPORATE SOCIAL RESPONSIBILITY (CSR):

Pursuant to the provisions of Section 135 of the Companies Act, 2013, every company having Net Worth of Rupees Five Hundred Crore or More, or Turnover of Rupees One Thousand Crore or More or a Net Profit of Rupees Five Crore or More during any financial year shall constitute a Corporate Social Responsibility Committee of the Board and shall formulate a Corporate Social Responsibility Policy. Therefore, Provisions of Corporate Social Responsibility are not applicable on the Company

29. RISK MANAGEMENT:

The Company has a mechanism in place to inform Board Members about the risk assessment and minimization procedures. Risk Management Policy for framing, implementing and monitoring the risk management plan is available at the website of the Company.

30. POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS:

Pursuant to section 178(4) of the Companies Act, 2013 and Regulation 19 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Your Company has a well-structured Remuneration Policy in relation to the appointment, remuneration, training programme, evaluation mechanism, positive attributes and independence of its Directors, KMPs and Senior Management. The policy is also available on the website of the Company.

31. DEPOSITS:

During the period under review, no deposits were accepted by the Company.

32. PARTICULARS OF THE EMPLOYEES:

During the period under review, no employee was paid remuneration in excess of the limit specified under Rule 5(2) of the Companies (Appointment and Remuneration) Rules, 2014. Disclosure pursuant to Section 197(12) of the Companies Act, 2013 is enclosed herewith as "Annexure - 4" and forms part of this Report.

33. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has an effective internal control system appropriate to its size, scale and complexities of its operations. The Audit Committee monitors and evaluates the efficacy and adequacy of the internal control system in the Company, its compliance with operating systems and accounting procedures and policies adopted by it.

34. WHISTLE BLOWER POLICY/ VIGIL MECHANISM:

The Company has formulated Vigil Mechanism/ Whistle Blower Policy pursuant to section 177 of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for director and employees to report genuine concerns.

No person has been denied direct access to the Chairman of the Audit Committee. The policy is available on the website of the Company www.kcdindustries.com

35. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

During the year under review, no complaints has been received by the Company.

36. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

37. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT:

Particulars	Details
Aggregate number of shareholders whose shares are lying in demat suspense account at the beginning of the year.	1
Outstanding shares in the suspense account lying at the beginning of the year (having face value of Rs. 5/- each)	2,09,240
Number of shareholders who approached listed entity for transfer of shares from suspense account during the year.	3
Number of shareholders to whom shares were transferred from suspense account during the year.	3
Aggregate number of shareholders whose share are lying in demat suspense account at the end of the year	1
Outstanding shares in the suspense account lying at the end of the year. (having face value of Re. 01/- each)	8,63,200

Note:

Difference in number of shares is due to sub-division/split of equity shares of the Company during the year under review.

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

38. DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of Section 134(3)(c) of the Companies Act, 2013, your Directors would like to make the following statements to the Members, to the best of their knowledge and belief and according to the information and representations obtained by the management:

- That in the preparation of the annual financial statements for the year ended 31st March 2023, all the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- That the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;

- That the Directors have prepared the annual accounts on a going concern basis;
- That the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

39. ACKNOWLEDGEMENT AND APPRECIATION:

The Board of Directors conveys grateful appreciation for co-operation received by the Company from valued shareholders, customers, suppliers, service providers, bankers, financial institutions and government authorities.

The Board also place on record their appreciation to the contribution made by the employees at all levels.

Date: 06th September 2023
Place: Mumbai

By Order of the Board of Directors
For KCD Industries India Limited
Sd/- Sd/-
Arun Kuttan Rajiv Darji
Chairman Managing Director
DIN: 09844434 DIN: 02088219

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34(2)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

COMPANY OVERVIEW:

KCD takes great pride in being one of India’s leading construction service providers with an uncompromised commitment to Quality, Health, Safety, and Environment. Your Company’s diverse portfolio includes Industrial, Infrastructure, Commercial, Residential, Land Development Projects & Government services. Our vision is to be one of the most reliable and trustworthy Engineering, Construction and Project Management Company.

INDUSTRY OVERVIEW:

India’s real estate market is growing at an unprecedented rate, which is why it is no surprise that everyone is keen on the future. The advent of trends like sustainable developments, gated communities, improved amenities, low mortgage rates, and government aid for low-income residents helped boost the market last year. The real estate market in India is showing signs of growth and maturity. The current decade has seen the introduction of numerous reforms to promote transparency, efficiency, and innovation within the sector. This will lead to an increase in demand from domestic and foreign investors looking forward to the higher potential returns available in this booming sector in the upcoming years.

FINANCIAL PERFORMANCE:

(All amounts in Lakhs)

Particulars	Standalone	
	31 st March 2023	31 st March 2022
Total Income	475.078	(6.345)
Less: Total Expenses excluding Depreciation and tax	307.430	(48.273)
Profit/(Loss) before Depreciation & Tax	167.379	41.265
Less: Depreciation	0.269	0.663
Less: Exceptional Items	0.00	0.00
Profit/(Loss)before Tax	167.648	41.928
Less: Tax		
i. Current Tax	0.00	10.500
ii. Deferred Tax	(0.007)	(0.080)
iii. Income Tax	4.849	12.245
Profit/(Loss)after tax	162.806	19.263

ACCOUNTING METHOD:

The above figures are extracted from the Annual Audited Financial Statements prepared in accordance with the Indian Accounting Standards (“Ind AS”) as notified under Section 133 of the Companies Act, 2013 (“the Act”) read with the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the SEBI Listing Regulations”).

OUTLOOK:

As we move along, we expect the situation to only improve and with our robust internal economy, lower dependence on exports, the future looks bright. We cannot wish the domestic

competition, which is bound to be fierce; each one trying to protect his share of the market will do all in its might doing so. The leaders will never let go anything. The lower end will try to nibble. We intend to protect our own facility or infra and effectively and strategically so for long term survival and perpetuation. Your company is on a good wicket to do this, given its standing in the market.

HUMAN RESOURCE DEVELOPMENT:

Our employees are critical to our business. We internally assess our employees to periodically identify competency gaps and use development inputs (such as skill upgradation training) to address these gaps. We have implemented staff training policies and assessment procedures and intend to continue placing emphasis on attracting and retaining motivated employees. We plan to continue investing in training programmes and other resources that enhance our employees' skills and productivity. We will continue to help our employees develop understanding of our customer oriented corporate culture and service quality standards to enable them to continue to meet our customers' changing needs and preferences. The company continued with its focus on an efficiently recruiting employees with the right talent and groom them to build a strong leadership pipeline. The diversity and inclusiveness in the workforce remained a strong fundamental to the company, in line with it the company continued to bring in more women employees.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has in place a well-framed internal control system that authorizes, records, and reports transactions to safeguard assets and protect against loss from unauthorized use or disposition. The internal controls ensure the reliability of data and financial information to maintain accountability of assets. These internal controls are supplemented by extensive internal audits, management review, and documented policies, guidelines, and procedures.

RISK AND CONCERNS

The Company is dedicated to identifying and managing the risks it is exposed to, both internal and external, and has put in place mechanisms to handle the same proactively and competently. The Company also recognises that these risks could adversely affect its ability to create value for all stakeholders and has taken steps to mitigate the same. Some of the major risks involved mentioned hereunder:

i. Industry Cyclicity

The real estate market is inherently a cyclical market and is affected by macroeconomic conditions, changes in applicable governmental schemes, changes in supply and demand for projects, availability of consumer financing and illiquidity. Your Company has attempted to hedge against the inherent risks through a business model comprising owned projects, joint ventures, residential platforms, and development management through a pan-India presence.

ii. Statutory Approvals

The real estate sector in India is heavily regulated by the central, state and local governments. Real estate developers are required to comply with a number of laws and regulations, including policies and procedures established and implemented by local authorities in relation to land acquisition, transfer of property, registration and

iii. Construction Risk

- Design Risk
- Environmental Risk
- Procurement Risk
- Sub-Contractors Risk
- Technology Risk.

- Design Risk
- Disputes between labours
- Changing sequences in construction activity
- Non availability of resources
- Change in quantities of work
- In Time work permissions for executing work Safety of workers
- Stoppage of work due to Medical outbreak
- Delay in Land acquisitions and hand over
- Legal battles for disputes

iv. Environmental Risk:

- Impact of weather condition on completion of project
- Pollution by construction waste
- Procedure to facilitate construction waste clean-up or disposal.

v. Financial Risk:

- Delay from clients to release funds
- Unprecedented delay in executing of project
- Interest service costs.
- Change in Legislation leading to considerable financial outflow.
- Delay in procurement of funds for taking up the project

OPPURTUNITIES & THREATS

KCD is an Integrated Real Estate and Infrastructure company with inherent strengths of experienced management team with broad geographic and operational base. It has an execution expertise over diversified array of projects and being considered as one stop shop for end to end project execution.

- Growing Competition of Indian industry due to focus on efficient and quality.
- Vast export market to explore.
- Growing recognition of “Made in India” brand in global market
- Major growth through outsourcing opportunities
- Support from the Government and better financial support from players of the Financial Eco System.
- Awareness among the society at large for a better sustainable growth of the economy and pressure from world institutions to enable the economy move towards clean and green energy.

CAUTIONARY NOTE

Statements in the Management Discussion and Analysis Report, which describe the Company’s objectives, projections, estimates and expectations, may be ‘forward-looking statements’ within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company’s operations include economic developments within the country, demand and supply conditions in the industry, commodity prices, changes in government regulations, tax laws and other factors such as litigation. The Company does not undertake to update these statements.

Form No. MR-3
SECRETARIAL AUDIT REPORT
For the Period ended on March 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
KCD Industries India Limited
Office No. 501,5th Floor, Ruby Crescent Business Boulevard Ashok Chakravati Road,
Kandivali (E) Mumbai Mumbai City MH 400101 IN.

We have conducted the secretarial audit of the compliance with applicable statutory provisions and the adherence to good corporate practices by **KCD Industries India Limited** (“the Company”). The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

Auditor’s responsibility

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards require that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period from April 01, 2022 to March 31, 2023 (“the audit period”) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanisms in place to the extent and in the manner reporting made hereinafter:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the Year ended 31.03.2023 according to the provisions of the following, as amended from time to time, and to the extent applicable:

- (i) The Companies Act, 2013 (“the Act”) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- (v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“the SEBI Act”):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (not applicable to the Company during the audit period)

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (not applicable to the Company during the audit period)

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (not applicable to the Company during the audit period)

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (not applicable to the Company during the audit period).

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (not applicable to the Company during the audit period).

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (not applicable to the Company during the audit period) and

(i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018. ("the Buyback Regulations") (not applicable to the Company during the audit period)

(j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

VI) Other laws applicable specifically to the Company namely:

a) Taxation Laws

b) Environment Laws-The Environment (Protection) Act, 1986; Air (Prevention and Control of Pollution) Act, 1981; Water (Prevention and Control of Pollution) Act, 1974; Water (Prevention and Control of Pollution) Cess Act, 1977;

c) Labour and Social Security Laws – Such as employees State Insurance Act, 1948; Payment of Bonus Act, 1965; Payment of Gratuity Act, 1972; Contract Labour (Regulation and Abolition) Act, 1970; Maternity Benefit Act, 1961; The Equal Remuneration Act 1976; Employees Provident Funds and Miscellaneous Act, 1952, as amended.

d) IT Related Laws – Information Technology Act, 2000;

e) Miscellaneous Laws-Electricity Act, 2003; Sexual Harassment of Women at Workplace (Prevention, Prohibition and Regulation) Act, 2013.

We have relied on the representations made by the Company, its Officers and Reports of the Statutory Auditor for the systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder ("the Listing Regulations").

We further report that during the audit period, The Company has Sub-division/split of existing equity shares of the company from 1 (One) equity share having face value of Rs. 5/- (Rupees Five only) each into 5 (Five) equity shares having face value of Re. 1/- (Rupee One only) each.

We further report the events after the audit period, Further shares are issued by the company on right issue basis on 19th Day of MAY 2023 which is after the reporting period.

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc. made thereunder which are subject matter of present Audit Report, stated hereinabove.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act and Listing Regulations.

In compliance with applicable provisions of the Companies Act, 2013 and rules made thereunder and Secretarial Standards issued by the Institute of Company Secretaries of India, adequate notice was given to all directors to schedule Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board meetings and Committee meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that during the audit period, there were no instances of:

1. Public/Rights/Preferential issue of Shares/debentures/ sweat equity.
2. Redemption/buy-back of securities.
3. Merger/ amalgamation/ reconstruction etc.
4. Foreign technical collaborations.

The compliance by the Company of applicable financial laws like Direct and Indirect tax laws has not been reviewed thoroughly in this audit since the same have been subject to review by the Statutory financial audit and other designated professionals.

**For M/s. Heena Gulrajani & Associates
(Practicing Company Secretaries)**

Sd/-

CS Heena Gulrajani

Proprietor

Membership No: A68255

C. P. No.: 25423

Peer Review No.: 3240/2023

UDIN: A068255E000904134

Date: 31.08.2023

Place: Ratlam

This report is to be read with our letter of even date which is annexed as “Annexure A” and forms an integral part of this report.

To,
The Members,
KCD INDUSTRIES INDIA LIMITED
Office No. 501,5th Floor, Ruby Crescent Business Boulevard Ashok Chakravati Road,
Kandivali (E) Mumbai Mumbai City MH 400101 IN.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. The maximum liability of our firm under the secretarial audit in respect of the aggregate of all claims shall not exceed the fee charged by us.

For M/s. Heena Gulrajani & Associates
(Practicing Company Secretaries)

Sd/-

CS Heena Gulrajani

Proprietor

Membership No: A68255

C. P. No.: 25423

Peer Review No.: 3240/2023

UDIN: A068255E000904134

Date: 31.08.2023

Place: Ratlam

“Annexure – 3”

FORM NO. 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 arm’s length transactions under third proviso thereto:

Details of contracts or arrangements or transactions not at arm’s length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the resolution was passed in general meeting as required under first proviso to Section 188 of the Companies Act, 2013.
-NIL-							

Details of material contracts or arrangement or transactions at arm’s length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the resolution was passed in general meeting as required under first proviso to Section 188 of the Companies Act, 2013.
KCD Heritage Private Limited	KCD Heritage	KCD Heritage	KCD Heritage	KCD Heritage	KCD Heritage	KCD Heritage	KCD Heritage

“ANNEXURE – 4”

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company and the percentage increase in remuneration of each director and KMPs in the financial year 2022-23:

Name of the Director	Designation	Remuneration (in Rs.)	Ratio of Remuneration of Directors with median Remuneration of employees
Arun Kuttan	Chairman & Non-Executive Director	-	N.A.
Rajiv Darji	Managing Director & CFO	-	N.A.
Sagar Shetty	Non-Executive Director	-	N.A.
Minal Panchal	Independent Director	-	N.A.
Pratik Popat	Independent Director	-	N.A.

2. Increase/Decrease in the median remuneration of employees in the financial year 2022-23: N.A.
3. The number of permanent employees on the rolls of the company as on 31st March 2023: 12
4. Affirmation from the Company:

There was no Employees who;

- a. if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than Rs. 60,00,000/- (Rupees Sixty Lakhs only) per annum;
- b. if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Rs. 5,00,000/- (Rupees Five Lakh only) per month;
- c. if employed throughout the financial year or part thereof, are in receipt of remuneration in the financial year 2022-23, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

DECLARATION ON CODE OF CONDUCT BY MANAGEMENT

[Regulation 34(3) read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I, Rajiv Darji, Managing Director & Chief Financial Officer of the Company, be and hereby declare that –

- The Board of Directors of KCD Industries India Limited has laid down a code of conduct for all the Board Members and Senior Management Personnel of the Company. The said code of conduct has also been posted on Company's website: www.kcdindustries.com
- All the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the Financial Year 2022-23.

By Order of the Board of Directors
For KCD Industries India Limited

Sd/-

Rajiv Darji

Managing Director

DIN: 02088219

Date: 06th September 2023

Place: Mumbai

CERTIFICATE ON VERIFICATION OF DEBARMENT OR DISQUALIFICATION OF DIRECTORS

Pursuant to Regulation 34(3) read with Para C [10(i)] of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members,
KCD Industries India Limited
501, 5th Floor, Ruby Crescent Business Boulevard,
Ashok Chakravati Road, Kandivali (East),
Mumbai – 400 101.

We have examined the relevant disclosures provided by the Directors (as enlisted in Table A) to KCD Industries India Limited having CIN: L70100MH1985PLC301881 having registered office at 501, 5th Floor, Ruby Crescent Business Boulevard, Ashok Chakravati Road, Kandivali (East), Mumbai – 400 101 (hereinafter referred to as 'the Company') for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and best to our knowledge and on the basis of verification of undertakings provided by all the directors appointed on the Board, we hereby certify that none of the directors of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by Ministry of Corporate Affairs, Securities and Exchange Board of India or any such statutory authority during the financial year ended on 31st March 2023.

Table A

Sr. No.	Name of the Directors	DIN	Date of Appointment
1.	Arun Kuttan	09844434	06/02/2023
2.	Rajiv Chandulal Darji	02088219	07/09/2021
3.	Sagar Sadanand Shetty	09213119	07/09/2021
4.	Minal Darshan Panchal	08415023	08/04/2019
5.	Pratik Mukesh Popat	08415025	08/04/2019

M/s. Mohandas & Co.
Chartered Accountants
Sd/-
Ca Belle Mohandas Shetty
(Proprietor)
Membership No. 031256
Firm Reg. No.: 106529W
UDIN: 23031256BGWFUN9870

Place: Mumbai
Date: 30/08/2023

COMPLIANCE CERTIFICATE FROM MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

[Regulation 17(8) read with part B of schedule II of the SEBI (listing obligation and disclosure requirement) regulation, 2015].

To,
The Board of Directors,
KCD Industries India Limited

In compliance with Regulation 17(8) read with Part B of Schedule II of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, I hereby certify that:

- 1) I have reviewed the Financial Statements and the Cash Flow Statement of the KCD Industries India Limited for the Financial Year ended 31st March 2023 and to the best of my knowledge and belief, I state that:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- 2) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
- 3) I accept responsibility for establishing and maintaining internal controls for financial reporting. I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and steps taken or proposed to be taken for rectifying these deficiencies.
- 4) I have indicated to the Auditors and the Audit Committee:
 - a) significant changes, if any, in the internal control over financial reporting during the year;
 - b) significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

By Order of the Board of Directors
For KCD Industries India Limited

Sd/-

Rajiv Darji
Managing Director
DIN: 02088219

Date: 06th September 2023
Place: Mumbai

INDEPENDENT AUDITORS REPORT

To,
the Members of
KCD Industries India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **KCD Industries India Ltd.** (‘the Company’), which comprise the balance sheet as at 31 March 2023, the statement of profit and loss (including Other Comprehensive Income, if any), statement of cash flow and statement of changes in equity for the year then ended and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information. (here in referred to as “standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (‘Act’) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon. We have determined that there were no key audit matters to communicate in our report.

Information other than the financial statement and Auditors report thereon

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the consolidated financial statements, standalone financial statements and our auditor’s report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act,

we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors;
- Conclude on the appropriateness of management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. (A) 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 purpose 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 including Other Comprehensive Income, the statement of changes in equity and the statement of cash flows dealt with by this report are in agreement with the books of accounts
- d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023 from being appointed as a director in terms of section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- g) With respect to the matter to be included in the Auditors’ Report under section 197(16)

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

- h) 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us
 - i. The Company has disclosed that there is no pending litigation.
 - ii. The Company has made provision as at 31st March 2023, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long term contracts, including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of

Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Sayed & Associates
Chartered Accountants
Firm Regn. No.: 133736W
Sd/-
Proprietor
Membership no.143094
UDIN: 23143094BGVREZ2947

Place: Mumbai
Date: 25/05/2023

BALANCE SHEET

(All amount in ₹, Unless Otherwise Stated)

	Particulars	Notes	As at 31 st March, 2023	As at 31 st March, 2022
I.	ASSETS			
	Non-Current Assets			
	Property, plant and equipment	4	20,874	36,684
	Other Intangible assets	5	5,757	16,874
	Deferred tax assets (net)	6	37,335	36,592
	Total Non-current assets		63,966	90,150
	Current Assets			
	Inventories	7	14,53,103	91,02,598
	Financial Assets			
	(i) Trade Receivables	8	33,23,662	16,04,026
	(ii) Cash and Cash equivalents	9	3,98,710	67,526
	(iii) Other Financial assets	10	-	-
	Other Current Assets	11	7,23,08,518	5,10,64,518
	Current Tax assets (Net)	12	13,92,358	7,01,878
	Total Current Assets		7,88,76,351	6,25,40,546
	TOTAL ASSETS		7,89,40,317	6,26,30,696
II.	EQUITY AND LIABILITIES			
	Equity			
	Equity Share Capital	13	1,00,00,000	1,00,00,000
	Other Equity	14	4,05,24,200	2,42,43,617
	Total Equity		5,05,24,200	3,42,43,617
	Current Liabilities			
	Financial Liabilities			
	(i) Trade Payables	15		
	-Dues to micro and small enterprises		6,872	5,630
	-Due to others		39,40,869	92,82,595
	(ii) Other Financial Liabilities	16	4,31,055	1,54,000
	Other Current Liabilities	17	2,40,37,321	1,89,44,854
	Total Current Liabilities		2,84,16,117	2,83,87,079
	Total Liabilities		2,84,16,117	2,83,87,079
	TOTAL EQUITY AND LIABILITIES		7,89,40,317	6,26,30,696
Summary of Significant Accounting Policies 1-3				
The Accompanying notes are integral part of the financial statements.				
This is the balance sheet referred to in our report of even date.				

For Sayed & Associates
Chartered Accountants
Firm registration number: 133736W
Sd/-
CA Sayed Rehmat Ali
Proprietor
Membership No: 143094
UDIN: 23143094BGVREZ2947
Place: Mumbai
Date: 25th May 2023

For and on behalf of Board of Directors of
KCD Industries India Limited

Sd/-
Rajiv Darji
Managing Director
DIN: 02088219

Sd/-
Sagar Shetty
Director
DIN: 09213119

STATEMENT OF PROFIT AND LOSS

(All amount in ₹, Unless Otherwise Stated)

I.	Particulars	Notes	For the year ended 31st March, 2023	For the year ended 31st March, 2022
	Income			
	Revenue from operations	18	1,35,74,249	(73,20,373)
	Interest Income	19	82,46,111	65,89,914
	Other Income	20	2,56,87,433	95,949
	Total Income		4,75,07,793	(6,34,510)
II.	Expenses			
	Changes in Inventories of finished goods	21	1,13,12,445	(73,20,373)
	Employee Benefit Expenses	22	34,92,015	16,24,962
	Depreciation and amortisation expenses	23	26,927	66,258
	Other Expenses	24	1,59,11,586	8,01,833
	Total Expenses		3,07,42,972	(48,27,320)
III.	Profit/(Loss) before tax		1,67,64,821	41,92,810
IV.	Tax expense	25		
	Current tax expense		4,84,982	10,50,021
			-	12,24,499
	Deferred tax (credit)/expense		(742)	(8,024)
	Total tax expense		4,84,240	22,66,496
V.	Net Profit / (loss) for the year		1,62,80,581	19,26,314
VI.	Other comprehensive income		-	-
VII.	Total comprehensive income for the year / period		1,62,80,581	19,26,314
VIII.	Earnings/(loss) per equity share	25		
	Basic (₹ per share)		1.63	0.96
	Diluted (₹ per share)		1.63	0.96
Summary of Significant Accounting Policies		1-3		
The accompanying notes are integral part of the financial statements.				

This is the statement of profit and loss referred to in our report of even date.

For Sayed & Associates
Chartered Accountants
Firm registration number: 133736W
Sd/-

CA Sayed Rehmat Ali
Proprietor
Membership No: 143094
UDIN: 23143094BGVREZ2947
Place: Mumbai
Date: 25th May 2023

For and on behalf of Board of Directors of
KCD Industries India Limited

Sd/-
Rajiv Darji
Managing Director
DIN: 02088219

Sd/-
Sagar Shetty
Director
DIN: 09213119

STATEMENT OF CASH FLOW

(All amount in ₹, Unless Otherwise Stated)

	Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit before tax	1,67,64,821	41,92,810
	Adjustments for:		
	Depreciation and amortisation	26,927	66,258
	Gain on sale of vehicle	-	(95,949)
	Operating Profit Before Working Capital Changes	1,67,91,748	41,63,119
	Changes in working capital:		
	<i>Adjustments for (increase) / decrease in operating assets and liabilities:</i>		
	Inventories	76,49,495	(73,20,373)
	Trade receivables	(17,19,636)	44,29,895
	Trade payables	(53,40,484)	70,19,175
	Other current assets	(2,12,44,000)	(1,12,88,146)
	Other financial liabilities	2,77,055	18,933
	Other current liabilities	50,92,469	35,34,148
	Cash generated from operations	15,06,647	5,56,751
	Less: Tax paid (net)	(11,75,463)	(18,46,858)
	Net cash flow from operating activities (A)	3,31,184	(12,90,107)
B.	CASH FLOWS FROM INVESTING ACTIVITIES		
	Sale of Fixed Assets	-	1,39,829
	Sale of Investments	-	-
	Net cash used in investing activities (B)	-	1,39,829
C.	CASH FLOWS FROM FINANCING ACTIVITIES		
	Net cash flow used in Financing Activities (C)	-	-
	Net increase in cash and cash equivalents (A+B+C)	3,31,184	(11,50,278)
	Cash and Cash Equivalents at the beginning of the period	67,526	12,17,804
	Cash and Cash Equivalents at the end of the period	3,98,710	67,526
	Net Movement in Cash and cash equivalents	3,31,184	(11,50,278)

Note:

The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

This is the statement of cash flows referred to in our report of even date.

For Sayed & Associates
Chartered Accountants
Firm registration number: 133736W

Sd/-

CA Sayed Rehmat Ali
Proprietor

Membership No: 143094

23143094BGVREZ2947

Place: Mumbai

Date: 25th May 2023

For and on behalf of Board of Directors of
KCD Industries India Limited

Sd/-

Rajiv Darji
Managing Director

DIN: 02088219

Sd/-

Sagar Shetty
Director

DIN: 09213119

NOTES TO THE FINANCIAL STATEMENT

(All amount in ₹, Unless Otherwise Stated)

4	Property, plant and equipment			
	Description	Office equipment	Computer	Total
	As at 31 March 2020	1,99,958	96,240	2,96,198
	Additions	-	-	-
	Disposals	-	-	-
	As at 31 March 2021	1,99,958	96,240	2,96,198
	Additions	-	-	-
	Disposals	-	-	-
	As at 31 March 2022	1,99,958	96,240	2,96,198
	Additions	-	-	-
	Disposals	-	-	-
	As at 31 March 2023	1,99,958	96,240	2,96,198
	Accumulated depreciation			
	As at 31 March 2020	63,866	89,343	1,53,209
	Charge for the period	70,557	2,085	72,642
	Adjustment for disposals	-	-	-
	As at 31 March 2021	1,34,423	91,428	2,25,851
	Charge for the period	33,663	-	33,663
	Adjustment for disposals	-	-	-
	As at 31 March 2022	1,68,086	91,428	2,59,514
	Charge for the period	11,593	4,217	15,810
	Adjustment for disposals	-	-	-
	As at 31 March 2023	1,79,679	95,645	2,75,324
	Net block as at 31 March 2020	1,36,092	6,897	1,42,989
	Net block as at 31 March 2021	65,535	4,812	70,347
	Net block as at 31 March 2022	31,872	4,812	36,684
	Net block as at 31 March 2023	20,279	595	20,874
5	Other intangible assets			
	Description	Computer Software		Total
	As at 31 March 2020	3,18,000		3,18,000
	Additions			
	Disposals			
	As at 31 March 2021	3,18,000		3,18,000
	Additions	-		-
	Disposals	(1,50,000)		(1,50,000)
	As at 31 March 2022	1,68,000		1,68,000
	Additions			
	Disposals			
	As at 31 March 2023	1,68,000		1,68,000
	Accumulated depreciation			
	As at 31 March 2020	64,609		64,609
	Charge for the period	1,60,042		1,60,042
	Adjustment for disposals			
	As at 31 March 2021	2,24,651		2,24,651
	Charge for the period	32,594		32,594
	Adjustment for disposals	(1,06,119)		(1,06,119)
	As at 31 March 2022	1,51,126		1,51,126
	Charge for the period	11,117		11,117
	Adjustment for disposals			-
	As at 31 March 2023	1,62,243		1,62,243
	Net block as at 31 March 2020	2,53,391		2,53,391
	Net block as at 31 March 2021	93,349		93,349
	Net block as at 31 March 2022	16,874		16,874
	Net block as at 31 March 2023	5,757		5,757

		As at 31 March 2023	As at 31 March 2022
6	Deferred tax assets (net)		
	Deferred tax assets (net)	37,335	36,593
		37,335	36,593
7	Inventories		
	Stock in Trade	14,53,103	91,02,598
	<i>(Valued at Cost or realisable whichever is lower)</i>		
		14,53,103	91,02,598
8	Trade receivables		
	Unsecured, considered good	33,23,662	16,04,026
		33,23,662	16,04,026
9	Cash and cash equivalents		
	Balances with banks:		
	- with scheduled banks in current accounts	1,78,239	39,587
	Cash in hand	2,20,471	27,939
		3,98,710	67,526
10	Other financial assets		
	Other financial assets	-	-
		-	-
11	Other current assets		
	Advance to vendors	7,23,08,518	5,10,64,518
	Prepaid		
		7,23,08,518	5,10,64,518
12	Current tax assets		
	Advance tax and TDS receivable	13,92,358	7,01,878
	Less: Provision for Tax	-	-
		13,92,358	7,01,878

		As at 31st March, 2023	As at 31st March, 2022
13	Equity share capital		
	Authorised share capital		
	50,00,000 Equity Shares of ₹ 5/- each	2,50,00,000	2,50,00,000
	Issued, subscribed and paid up equity share capital		
	20,00,000 Equity shares of ₹ 5 /- each (Split Shares - 1,00,00,000 Equity Shares of ₹ 1/- each)	1,00,00,000	1,00,00,000

i) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having par value of ₹ 5 /- each. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii) Reconciliation of equity shares outstanding at the beginning and at the end of the year	31st March 2023		31st March 2022	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	20,00,000	1,00,00,000	20,00,000	1,00,00,000
Split Shares	1,00,00,000	1,00,00,000	-	-
Balance at the end of the year	1,00,00,000	1,00,00,000	20,00,000	1,00,00,000

iii) Shareholding of promoters are as follows:	31 st March 2023		As at 31 st March 2022	
	No. of shares	% holding	No. of shares	% holding
Equity shares of ₹ 1 (after split up) each fully paid up held by:				
Rajiv Chandulal Darji	48,71,080	48.71%	9,74,216	48.71%
	Change in No. of shares	% change during the year	Change in No. of shares	% change during the year
Rajiv Chandulal Darji	38,96,864	400	-	0.00%

iv) The Company has not issued any equity shares for consideration other than cash, during the current financial year. Further, there has been no buy back of shares either in the aforesaid period.

	As at 31 st March 2023	As at 31 st March 2022
14 Other equity		
Retained earnings		
Opening Retained earnings	2,42,43,619	2,23,17,303
Add: Profit for the year	1,62,80,581	19,26,314
Add: OCI for the year	-	-
Transfer to Statutory Reserve	-	-
Closing Retained earnings	4,05,24,200	2,42,43,617
Total other equity	4,05,24,200	2,42,43,617

Description of nature and purpose of each reserve:

Retained earnings

Retained earnings are created from the profit of the Company, as adjusted for distributions to owners, transfers to other reserves, etc.

15.	Trade Payables	As at 31 st March 2023	As at 31 st March 2022
	Dues to micro and small enterprises [refer note (a) below]	6872	5,630
	Dues to others	3940869	92,82,595
	Total	3947741	9288225

Notes:

a.	Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006.	6872	5,630
	On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the company, the following are the details:	Nil	Nil
i)	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period;	Nil	Nil
ii)	the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period; Interest accrued and due thereon remaining unpaid.	Nil	Nil
iii)	the amount of 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 the interest specified under this Act;	Nil	Nil
iv)	the amount of interest accrued and remaining unpaid at the end of each accounting period; and	Nil	Nil
v)	the amount of further interest remaining due and payable even in the succeeding periods, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

b. Additional disclosure in respect of Trade payables Ageing as per Schedule III, Companies Act 2013

Sr.No.	Particulars	As at 31 st March 2023				
		Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
I.	MSME	6,872	-	-	-	-
II.	Others	39,40,869				
III.	Disputed dues-MSME	-	-	-	-	-
IV.	Disputed dues-others	-	-	-	-	-

Sr.No.	Particulars	As at 31 st March 2022				
		Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
I.	MSME	5,630	-	-	-	-
II.	Others	92,82,595	-	-	-	-
III.	Disputed dues-MSME	-	-	-	-	-
IV.	Disputed dues-others	-	-	-	-	-

16	Other Financial Liabilities	As at 31st March 2023	As at 31st March 2022
	Salaries payable	4,31,055	1,54,000
	Audit Fees Payable	-	-
	Total	4,31,055	1,54,000
17	Other Current Liabilities	As at 31st March 2023	As at 31st March 2022
	Trade Advances	1,73,16,802	1,62,70,209
	Advances from customers	12,83,569	13,23,569
	Statutory dues	54,36,950	13,51,076
	Total	2,40,37,321	1,89,44,854
18	Revenue from Operations	As at 31st March 2023	As at 31st March 2022
	Sale of goods	1,35,74,249	(73,20,373)
	Total	1,35,74,249	(73,20,373)
19	Interest Income	As at 31st March 2023	As at 31st March 2022
	Interest Income	82,46,111	65,89,914
	Total	82,46,111	65,89,914
20	Other Income	As at 31st March 2023	As at 31st March 2022
	Gain on sale of vehicle	-	95,949
	Amounts written back	2,56,87,433	-
	Total	2,56,87,433	95,949
21	Change in Inventories of finished goods	As at 31st March 2023	As at 31st March 2022
	Opening Inventories	91,02,598	17,82,225
	Add: Purchases	36,62,950	-
	Closing Inventories	14,53,103	91,02,598
	Total	1,13,12,445	(73, 20,373)
22	Employee Benefit Expenses	As at 31st March 2023	As at 31st March 2022
	Salaries, Wages and Bonus	34,92,015	16,24,962
	Total	34,92,015	16,24,962

23	Depreciation and Amortisation Expenses	As at 31st March 2023	As at 31st March 2022
	Depreciation on property, plant and equipment	15,810	33,663
	Amortisation on intangible assets	11,117	32,595
	Total	26,927	66,258
24	Other expenses	As at 31st March 2023	As at 31st March 2022
	Listing fees	3,00,000	3,54,000
	Rates and taxes	32,93,660	1,96,149
	Legal and professional charges	6,63,939	80,616
	Advertisement expenses	1,09,865	34,076
	Auditor's remuneration (refer note 15.1)	-	75,000
	Issuer Fees	15340	10,620
	Bank Charges	24,118	11,859
	Miscellaneous expenses	1,57,619	39,513
	Construction Cost	1,13,47,045	-
	Total	1,59,11,586	8,01,833
24.1	Payment to auditors	As at 31st March 2023	As at 31st March 2022
	Statutory audit	-	75,000
	Tax audit	-	-
	Total	-	75,000
25	Earnings/(loss) per equity share	As at 31st March 2023	As at 31st March 2022
	(Loss) for the year / period	1,62,80,581	19,26,314
	Face value per share	5	5
	Weighted average number of equity shares for EPS	1,00,00,000	20,00,000
	Earnings/(loss) per share		
	Basic (in ₹)	1.63	0.96
	Diluted (in ₹)	1.63	0.96

* Note:

The Company does not have any outstanding dilutive potential equity shares as at 31st March 2023 and 31st March 2022. Consequently, the basic and diluted earnings per share of the Company shall remain the same.

26	Financial Ratios		
(a)	Current ratio = Current assets divided by current liabilities		
	Particulars	As at 31st March 2023	As at 31st March 2022
	Current Assets	7,88,76,351	62540546
	Current Liabilities	2,84,16,117	28387079
	Ratio	3	2
	% change from previous period	25.99%	

(b) Debt Equity ratio = Total debt divided by total equity where total debt refers to sum of current and non-current borrowings.

Note: The Company does not have any borrowings. Hence, this ratio is not applicable.

(c) Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments.

Note: The Company does not have any borrowings. Hence, this ratio is not applicable.

(d)	Return on Equity Ratio / Return on Investment Ratio = Net profit after tax divided by Average Equity		
	Particulars	As at 31st March 2023	As at 31st March 2022

	Net Profit after Tax	1,62,80,581	1926314
	Average equity employed	5,05,24,200	34243617
	Ratio (%)	32.2%	5.6%
	% Change from previous period	472.83%	

Increase in return on equity ratio is due to increase in net profit in current year compared to net loss in previous year.

(e)	Trade Receivables turnover ratio = Sales divided by Average trade receivables		
	Particulars	As at 31st March 2023	As at 31st March 2022
	Revenue from operations	1,35,74,249	(7320373)
	Average Trade Receivables	33,23,662	1604026
	Ratio (times)	408.4%	-456.4%
	% Change from previous period	-189.49%	

Decrease in trade receivables is due to decrease in revenue from operations in current year compared to previous year.

(f) Trade payables turnover ratio = Purchases divided by Average trade payables

Note: The Company has not made any purchases of goods. Hence, this ratio is not applicable.

(g) Net capital Turnover Ratio = Sales divided by Net Working capital whereas net working capital = current assets – current liabilities.

Note: The Company does not have any revenue from operations. Hence, this ratio is not applicable.

(h)	Net profit ratio = Net profit after tax divided by Sales		
	Particulars	As at 31st March 2023	As at 31st March 2022
	Net profit after tax (A)	1,62,80,581	1926314
	Total Income (B)	4,75,07,793	(634510)
	Ratio (times)	34.3%	-303.6%
	% Change from previous period	-111.29%	

Decrease in net profit ratio is due to decrease in total income.

(i)	Return on Capital employed (pre cash) = Earnings before interest and taxes (EBIT) divided by Average Capital Employed		
	Particulars	As at 31st March 2023	As at 31st March 2022
	Profit before tax* (A)	1,67,64,821	19,26,314
	Finance costs* (B)	-	-
	Other income excluding Trade finance income* (C)	2,56,87,433	95,949
	EBIT (D) = (A)+(B)-(C)	(89,22,612)	18,30,365
	Average Capital Employed (E)	5,05,24,200	3,42,43,617
	Ratio (%)	-17.7%	5.3%
	% Change from previous period	-430.40%	

Decrease in return on capital employed ratio is due to increase in EBIT compared to previous year.

27	Financial Instruments			
A	Financial assets and liabilities			
	The carrying amounts of financial instruments by category are as follows:			
	Particulars	Notes to schedule	As at 31st March 2023	As at 31st March 2022
	Financial assets measured at amortised cost			
	Trade receivables	8	33,23,662	16,04,026
	Cash and cash equivalents	9	3,98,710	67,526
	Other financial assets	10	-	-
	Total Financial assets		37,22,372	16,71,552
	Financial liabilities measured			

	at amortised cost			
	Trade payables	15		
	- total outstanding dues of Micro Small and Medium Enterprises		6,872	5630
	- total outstanding dues of others		39,40,869	9282595
	Other financial liabilities	16	4,31,055	154000
	Total Financial liabilities		43,78,796	9442225

B Fair values hierarchy

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs).

B.1	Fair value of instruments measured at amortised cost				
	Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:				
	Particulars	As at 31st March 2023		As at 31st March 2022	
		Carrying value	Fair value	Carrying value	Fair value
	Financial assets				
	Trade receivables	33,23,662	33,23,662	16,04,026	16,04,026
	Cash and cash equivalents	3,98,710	3,98,710	67,526	67,526
	Other financial assets	-	-	-	-
	Total	37,22,372	37,22,372	16,71,552	16,71,552
	Financial liabilities				
	Trade payables	39,47,741	39,47,741	92,88,225	92,88,225
	Other financial liabilities	4,31,055	4,31,055	1,54,000	1,54,000
	Total	43,78,796	43,78,796	94,42,225	94,42,225

The management assessed those fair values the above items approximate their respective carrying amounts, largely due to the short-term maturities of these instruments. The following methods and assumptions were used to estimate the fair values for other assets and liabilities: Accordingly, these are classified as level 3 of fair value hierarchy. The own non-performance risk as at 31st March 2023 was assessed to be insignificant.

C Financial Risk Management

(i) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Management
Credit risk	Cash and cash equivalents (other than cash), loans, financial assets measured at amortised cost	Highly rated bank deposits diversification of asset base collaterals taken for assets
Liquidity risk	Borrowings and other financial liabilities	Availability of committed credit lines and borrowing facilities

The Company's risk management is carried out by a central treasury department (of the Company) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

A) Credit Risk:

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, loan assets, and other financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Credit risk management

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- (i) Low credit risk on financial reporting date
- (ii) Moderate credit risk
- (iii) High credit risk

The Company provides for expected credit loss based on the following:

Nature	Assets covered	Basis of expected credit loss
Low credit risk	Cash and cash equivalents (other than cash), other bank balances, investments, loans and other financial assets	12 month expected credit loss
Moderate credit risk	Nil	Lifetime expected credit loss or 12 month expected credit loss
High credit risk	Nil	Life time expected credit loss fully provided for

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a borrower declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss.

Financial assets that expose the entity to credit risk*

Particulars	As at 31st March 2023	As at 31st March 2022
Low credit risk - Stage 1		
Trade receivables	33,23,662	1604026
Cash and cash equivalents	3,98,710	67526
Moderate credit risk - Stage 2	-	-
High credit risk - Stage 3	-	-

* These represent gross carrying values of financial assets, without deduction for expected credit losses. The Company does not have any significant or material history of credit losses hence the credit risk for all the financial assets has been considered to be negligible by the management as at the closing date.

B) Liquidity Risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Maturities of financial liabilities:

All the financial liabilities of the Company are current in nature and are maturing within 12 months period. The amounts disclosed in the financial statements are the contractual undiscounted cash flows.

C) Market Risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. It comprises of currency risk, interest rate risk and price risk.

(1) Foreign currency risk –

The Company is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company.

The Company does not have any significant or material foreign currency transactions hence the currency risk for all the financial assets and liabilities has been considered to be negligible by the management as at the closing date.

(2) Interest rate risk –

As the Company does not have any long-term borrowings outstanding or fixed rate deposits, hence it is not exposed to interest rate risk.

(3) Price risk –

As the Company does not have any investments outstanding or fixed rate deposits, hence it is not exposed to price risk.

28	Capital management		
	For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The following table summarises the capital of the Company.		
	Particulars	As at 31st March 2023	As at 31st March 2022
	Equity share capital	1,00,00,000	1,00,00,000
	Other equity	4,05,24,200	2,42,43,617
	Total equity (A)	5,05,24,200	3,42,43,617
	Current borrowings	-	-
	Current maturity of non-current borrowings	-	-
	Total Debt (B)	-	-
	Less: Cash and cash equivalents	(3,98,710)	(67,526)
	Net debt (C)	(3,98,710)	(67,526)
	Capital and net debts (D = A + C)	5,01,25,490	3,41,76,091
	Debt equity ratio (B / A)	0	0
	Capital gearing ratio (B / D)	0	0

29 Prior year comparatives

The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current year's classification.

This is the summary of accounting policies and other explanatory information referred to in our report of even date.

STATEMENT OF CHANGES IN EQUITY

(all amount in ₹, Unless otherwise stated)

A. Equity Share Capital:

Particulars	Amount
Balance as at 31st March 2020	1,00,00,000
Changes in equity share capital during the year	-
Balance as at 31st March 2021	1,00,00,000
Changes in equity share capital during the year	-
Balance as at 31st March 2022	1,00,00,000
Changes in equity share capital during the year	-
Balance as at 31st March 2023	1,00,00,000

B. Other Equity:

Particulars	Retained earnings	Total
Balance as at 31st March 2020	2,23,17,303	2,23,17,303
Profit for the year	(7,38,027)	(7,38,027)
Other comprehensive income	-	-
Transfer to Statutory Reserve	-	-
Balance as at 31st March 2021	2,15,79,276	2,15,79,276
Profit for the year	19,26,314	19,26,314
Other comprehensive income	-	-
Balance as at 31st March 2022	2,35,05,590	2,35,05,590
Profit for the year	1,62,80,581	1,62,80,581
Other comprehensive income	-	-
Balance as at 31st March 2023	3,97,86,171	3,97,86,171

Summary of Significant Accounting Policies

The accompanying notes are integral part of the financial statements.

This is the statement of changes in equity referred to in our report of even date.

SIGNIFICANT ACCOUNTING POLICIES

1. Background –

KCD Industries India Limited (" the Company") is a Public Limited Company domiciled and incorporated under the provisions of erstwhile Companies Act, 1956. It came into existence on May 25th, 1985 and is listed on the Bombay Stock Exchange ("BSE"). The Company has its registered office at "501, 5th Floor, Ruby Crescent Business Boulevard Ashok Chakravati Road, Kandivali (E) Mumbai – 400 101."

The Company had commenced businesses and engaged themselves in real estate and constructions, in the past few years, the Company also expanded its business into Décor, Infra, Printing, Hospitality and Auto mobiles sectors. The Company has its wide network of operations in Pan India.

2. Basis of preparation –

2.1 Accounting Convention

These standalone financial statements ('financial statements') have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI) under the historical cost convention on the accrual basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

2.2 Previous year figures

Previous Year's figures have been regrouped/reclassified, wherever necessary, to correspond with the current year's classification/disclosures.

2.3 Rounding of Amounts

All amounts disclosed in the standalone financial statements and notes is in INR, except where otherwise indicated.

2.4 Use of Judgments, Estimates & Assumptions

While preparing standalone financial statements in conformity with Ind AS, the management makes certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on our estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. The management continually evaluates these estimates and assumptions based on the most recently available information.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas

of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the standalone financial statements are as below:

Key assumptions

- (i) Financial instruments (Refer note 27)
- (ii) Useful lives of Property, Plant and Equipment and Intangible Assets (Refer note 04)
- (iii) Assets and obligations relating to employee benefits (Refer note 22)
- (iv) Evaluation of recoverability of deferred tax assets (Refer note 06)

3. Summary of Significant Accounting Policies

3.1 Current versus non-current classification:

- The Company presents assets and liabilities in the balance sheet based on current/non-current classification.
- An asset is treated as current when it is:
 - a) Expected to be realised in normal operating cycle or within twelve months after the reporting period held primarily for the purpose of trading, or
 - b) Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
 - c) All other assets are classified as non-current.
- A liability is current when:
 - a) It is expected to be settled in normal operating cycle or due to be settled within twelve after the reporting period or
 - b) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- The Company classifies all other liabilities as non-current.
- Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified period of twelve months as its operating cycle.

3.2 Dues to Micro and Small Enterprises

It is informed that the Company has certain dues to suppliers registered under as 'micro' and 'small' under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act forms integral part of the financial statements.

3.3 Cash and Cash Equivalents

Cash and Cash equivalent in the presentation of balance sheet and the statement of cash flows, includes comprise cash at banks and on hand.

3.4 Inventories

Inventories of Stock-in Trade is stated at cost or net realizable value, whichever is lower.

3.5 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Depreciation on property, plant and equipment is provided using Written down value method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

3.6 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or an equity instrument of another entity.

(i) Financial Assets

A. Initial recognition and measurement

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not accounted at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

▪ Financial assets measured at amortised cost:

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest rate amortisation is included in other income in the Statement of Profit and Loss.

▪ Financial assets measured at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

▪ **Financial assets measured at fair value through profit or loss (FVTPL).**

A financial asset which is not classified in any of the above categories are measured at fair value through profit or loss.

C. Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- a) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables, the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. Further, the Company uses historical default rates to determine impairment loss on the portfolio of the trade receivables. At every reporting date, these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

For other assets, the Company uses 12 months ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used. ECL impairment allowance is recognised in the Statement of Profit and Loss.

(ii) Financial Liabilities

A. Initial recognition and measurement

All financial liabilities are recognized initially at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent measurement

Financial liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(iii) Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the

balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.7 Earnings per share

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share. Diluted earnings per share adjust the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

3.8 Provisions and Contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements.

3.9 Leases

The Company, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

3.10 Borrowing Cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

3.11 Impairment of Non-Financial Assets

The Company assesses at each reporting date as to whether there is any indication that any

Property, Plant and Equipment and Intangible assets or group of assets, called Cash Generating Unit ('CGU') may be impaired. If any such indication exists, the recoverable amount of assets or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs. An impairment loss is recognized in the Statement of the Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets. The impairment loss, other than goodwill, recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

3.12 Employee Benefits

Employee benefits include provident fund and compensated absences.

- **Defined contribution plans:**
Contributions payable to recognized provident funds, which are defined contribution schemes, are charged to the standalone statement of profit and loss.
- **Short-term employee benefits:**
Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. Compensated absences, which are expected to be utilised within the next 12 months, are treated as short-term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

3.13 Tax Expenses

The tax expense for the period comprises of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income. In which case, the tax is also recognised in Other Comprehensive Income.

i. Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income tax authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

ii. Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred income tax assets are reassessed at each reporting period and are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and

reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the

liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

3.14 Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

Revenue from contracts with customers includes sale of goods and services. Revenue from rendering of services includes advertisement revenue and subscription revenue. Revenue from rendering of services is recognised over time where the Company satisfies the performance obligation over time or point in time where the Company satisfies the performance obligation at a point in time.

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, net of returns and allowances, trade discounts and volume rebates and excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and the receivable is recognized when it becomes unconditional.

Interest income

Interest Income from Financial Assets is recognised using effective interest rate method.

Dividend income

Dividend Income is recognised when the Company's right to receive the amount has been established.

Fair value measurement

The Company measures financial assets and financial liability at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: -

In the principal market for the asset or liability, or –

In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole: -

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Valuation team determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement.

Material uncertainty about going concern: In preparing financial statements, management has made an assessment of Company's ability to continue as a going concern. Financial statements are prepared on a going concern basis. The Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.



KCD INDUSTRIES INDIA LIMITED

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