

<b>KCD Industries India Limited (formerly known as Ruchika Industries India Limited)</b>	
<b>NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2020</b>	
<b>Note</b>	<b>Particulars</b>
<b>1</b>	<b>Basis of preparation, measurement and significant accounting policies</b>
<b>1.1</b>	<b><u>Previous year figures</u></b> Previous Year's figures have been regrouped/reclassified, wherever necessary, to correspond with the current year's classification/disclosures.
<b>1.2</b>	<b><u>Corporate Information</u></b> KCD Industries India Limited (" the company") is a Limited Company in India and incorporated under the provision s of Companies Act, 1956. It came into existence on May 25, 1985.
<b>1.3</b>	<b><u>Basis of preparation of Financial Statements</u></b> The Financial Statements of the company have been prepared in accordance with the Indian Accounting Standard Rules 2015.The Company has prepared these financial statements to comply in all material respects, with the accounting Standards notified under the companies Act, 1956 which continues to be applicable in terms of general circular 15/2013 dated 13 <sup>th</sup> September, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention.
<b>1.4</b>	Balance from Sundry Debtors, Unsecured Loans, Trade Advances, Sundry Creditors and other Liabilities account. Pending receipt of balances and consequential adjustments/reconciliations if any, the resultant impact on financial statement is not ascertainable.
<b>1.5</b>	It is informed that no dues to Micro, Small and Medium Enterprises, if any under MSMED Act 2016 are pending and none of the creditors of the company are registered under MSMED Act 2016, we have relied on management representation for the same
<b>1.6</b>	Attention is also drawn to the fact the Trade Advances made by the company are to Associated Concerns, and relevant provision of 2(22)(e) now provides that the company is required to pay the tax on any Advance made to person or undertaking in which any advance made to any person with significant beneficial ownership in company or in advances made to any undertaking in which such person is significant beneficial owner, the company has not provided for provision on tax for the same.
<b>1.7</b>	The Company has on the basis of internal evaluation, valued inventories at 25,90,973/-. In the absence of valuation report or any other documentary evidence confirming the net realizable value of inventory, we are unable to comment on realization on value of inventories.
<b>1.8</b>	<b><u>Significant Accounting Policies</u></b>
<b>a)</b>	<b><u>Use of estimates</u></b> The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as the date of financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events & actions, actual results could differ from these estimates.
<b>b)</b>	<b><u>Income Taxes</u></b> The company fallows Accounting Standard-22 Accounting for taxes on income, issued by ICAI. Deferred Tax expenses & credit & related liabilities or assets are recognized for future tax consequences attributable to the differences between accounting profit & taxable income. Deferred Tax Assets are only recognized if there is reasonable certainty that they will be realized, interims of para 15 read with the para 17 of the said Accounting Standard. These assets are reviewed for appropriateness of their carrying value at each Balance Sheet date Deferred Tax Assets & liabilities are measured using the tax rates that have been enacted or substantively enacted at the Balance Sheet date.
<b>c)</b>	<b><u>Earnings Per Share (EPS)</u></b> Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preferences dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of

	calculating diluted earnings per share, the net profit or losses for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.
<b>d)</b>	<b>Cash and Cash Equivalents</b> Cash and cash equivalents for the purpose of financial statements comprise cash at bank and in hand and short -term investments.
<b>e)</b>	<b>Provisions</b> A provision is recognized when an enterprise has a present obligation as a result of past event: it is probable than an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.
<b>1.5</b>	Items and Figure for the previous year have been recast, regrouped and/or re-arranged wherever necessary to confirm to the current year's presentation

**As per our report of even date**

**For M/S. TDK & CO**  
**Chartered Accountants**  
**Firm Reg. No. 109804W**

**For and on behalf of the Board of Directors of**  
**KCD Industries India Limited**  
**(formerly known as Ruchika Industries India Limited)**

**Sd/-**  
**Shraddha Mota**  
**Partner**  
**Membership No.: 135086**  
**UDIN: 20135086AAAAAV5097**

**Sd/-**  
**Kavita Iyer**  
**Managing Director**  
**DIN: 08417118**

**Sd/-**  
**Sanjay Patkar**  
**Director**  
**DIN: 08349171**

**Sd/-**  
**Arun Kuttan**  
**CFO**

**Sd/-**  
**Deepika Undhad**  
**CS & Compliance**  
**Officer**

**Place: Mumbai**  
**Date: 31<sup>st</sup> July, 2020**

**KCD Industries India Limited**  
(formerly known as Ruchika Industries India Limited)  
**NOTES TO BALANCE SHEET**

(Amount in Rs.)

<b>DEPRECIATION CHART AS PER COMPANIES ACT, 2013</b>												
<b>Note 2: Fixed Assets</b>												
Sr. No	Particulars	Useful Life	GROSS BLOCK			DEPRECIATION			NET BLOCK			
			As on 01.04.2019	Additions	Deletions	As on 31.03.2020	As on 01.04.2019	For the Year	Adj	As on 31.03.2020	As on 31.03.2020	As on 31.03.2019
1	Computer	3	96,240	-	-	96,240	77,519	11,824	-	89,343	6,897	18,721
2	Air Conditioner	5	-	54,688	-	54,688	-	4,254	-	4,254	50,434	-
3	ERP Software	3	-	3,00,000	-	3,00,000	-	61,775	-	61,775	2,38,225	-
5	Tally Software	3	-	18,000	-	18,000	-	2,834	-	2,834	15,166	-
6	Laptop	3	-	1,01,610	-	1,01,610	-	50,638	-	50,638	50,972	-
7	Mobile	5	-	36,160	-	36,160	-	6,659	-	6,659	9,501	-
8	Video door phone	5	-	7,500	-	7,500	-	2,315	-	2,315	5,185	-
	<b>Grand Total</b>	-	<b>96,240</b>	<b>5,17,958</b>	-	<b>6,14,198</b>	<b>77,519</b>	<b>1,40,299</b>	-	<b>2,17,818</b>	<b>3,96,380</b>	<b>18,721</b>

**KCD Industries India Limited**  
(formerly known as Ruchika Industries India Limited)  
**NOTES TO BALANCE SHEET**

(Amount in Rs.)

<b>DEPRECIATION CHART AS PER INCOME TAX ACT, 1961</b>									
As on 31 <sup>st</sup> March, 2020									
Particulars	Depreciation Rate (%)	WDV as on 1 <sup>st</sup> April, 2019	*Addition		Sales		Total as on 31 <sup>st</sup> March, 2020	Depreciation allowable this year	WDV as on 31 <sup>st</sup> March, 2020
			Upto	After	Upto	After			
Computer	40%	24,253	-	-	-	-	24,253	9,701	14,552
Air Conditioner	15%	-	-	54,688	-	-	54,688	4,102	50,586
ERP Software	40%	-	-	3,00,000	-	-	3,00,000	60,000	2,40,000
Laptop	40%	-	1,01,610	-	-	-	1,01,610	40,644	60,966
Mobile	15%	-	19,196	16,964	-	-	36,160	4,152	32,008
Tally Software	40%	-	-	18,000	-	-	18,000	3,600	14,400
Video Door Phone	15%	-	7,500	-	-	-	7,500	1,125	6,375
<b>Grand Total</b>	-	<b>24,253</b>	<b>1,28,306</b>	<b>3,89,652</b>	-	-	<b>5,42,211</b>	<b>1,23,324</b>	<b>4,18,888</b>

<b>KCD Industries India Limited</b> <b>(formerly known as Ruchika Industries India Limited)</b>		
<b>NOTES TO BALANCE SHEET</b>		
<b>(Amount in Rs.)</b>		
<b>Note 3: Non-Current Assets</b>		
<b>PARTICULARS</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
Investment	9,24,000	9,24,000
<b>Total</b>	<b>9,24,000</b>	<b>9,24,000</b>
<b>Note 4: Deferred Tax Asset</b>		
<b>PARTICULARS</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
Deferred Tax Asset as on 31.03.2019	(1,424)	(1,424)
Charge to Profit & loss	(7,276)	-
Deferred Tax Asset as on 31.03.2020	<b>5,852</b>	<b>(1,424)</b>
<b>Note 5: Inventories</b>		
<b>PARTICULARS</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
Stock in Trade (measured at cost or realisable value whichever is lower)	25,90,973	20,12,640
<b>Total</b>	<b>25,90,973</b>	<b>20,12,640</b>
<b>Note 6: Trade Receivables</b>		
<b>PARTICULARS</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
<b>Sundry Debtors</b>		
Unsecured, Considered Good	47,93,301	3,00,23,579
<b>Total</b>	<b>47,93,301</b>	<b>3,00,23,579</b>
<b>Note 7: Cash and Cash Equivalents</b>		
<b>PARTICULARS</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
(a) Balance with Banks	3,479	-
(b) Cheques, drafts on hand	-	-
(c) Cash on hand	9,498	2,969
(d) Others (specify nature)	-	-
<b>Total</b>	<b>12,977</b>	<b>2,969</b>
<b>Note 8: Other Current Assets</b>		
<b>PARTICULARS</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
Advance against purchases		
To related parties	3,92,75,647	-
To others	5,000	-
(Unsecured considered good)	-	-
Balance with Government Authorities	4,18,785	-
<b>Total</b>	<b>3,96,99,432</b>	-
<b>Note 9: Share Capital</b>		
<b>PARTICULARS</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
<b>Authorized Share Capital</b>		
No. of Shares: 50,00,000 equity shares of Rs 5/- each at 31 <sup>st</sup> March, 2020.	2,50,00,000	2,50,00,000
<b>Issued, Subscribed &amp; Paid Up Share Capital</b>		
No. of Shares: 20,00,000 equity shares of Rs 5/- each at 31 <sup>st</sup> March, 2020.	1,00,00,000	1,00,00,000
<b>Reconciliation of Number of Shares</b>		
Shares outstanding at the beginning of the year	20,00,000	20,00,000
Shares issued during the year	-	-
<b>Shares outstanding at the year end</b>	<b>20,00,000</b>	<b>20,00,000</b>

<b>List of Shareholders holding more than 5%</b>		
<b>SHARE HOLDERS</b>	<b>% of Holding</b>	<b>% of Holding</b>
Rajiv Darji	48.71%	-
Asian Fintrade Services Private Limited	-	5.00%
<b>Note 10: Other Equity</b>		
	<b>Retained Earnings</b>	
<b>Opening Balance</b>	2,19,86,277	2,12,88,928
Profit for the year	10,69,054	6,97,349
Adjustment during the year	-	-
<b>Closing Balance</b>	<b>2,30,55,331</b>	<b>2,19,86,277</b>
<b>Note 11: Long Term Borrowings</b>		
<b>PARTICULARS</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
Saurabh Pradhan	-	1,80,000
<b>Total</b>	<b>-</b>	<b>1,80,000</b>
<b>Note 12: Trade Payables</b>		
<b>PARTICULARS</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
Trade Payables	22,03,888	3,36,000
<b>Total</b>	<b>22,03,888</b>	<b>3,36,000</b>
<b>Note 13: Other Current Liabilities</b>		
<b>PARTICULARS</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
Statutory Dues Payable	12,45,989	2,34,000
Trade Advances	1,00,54,322	-
Advance from Customers	13,94,698	-
<b>Total</b>	<b>1,26,95,009</b>	<b>2,34,000</b>
<b>Note 14: Provisions</b>		
<b>PARTICULARS</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
Audit Fees Payable	65,500	35,500
Provision for Income tax(A.Y.19-20)	30,130	2,08,708
Provision for Income tax(A.Y.20-21)	3,73,057	-
<b>Total</b>	<b>4,68,687</b>	<b>2,44,208</b>

<b>KCD Industries India Limited</b> <b>(formerly known as Ruchika Industries India Limited)</b>		
<b>NOTES TO STATEMENT OF PROFIT &amp; LOSS</b>		
<b>(Amount in Rs.)</b>		
<b>Note 15 : Revenue from Operations</b>		
<b>PARTICULARS</b>	<b>For the year ending on 31.03.2020</b>	<b>For the year ending on 31.03.2019</b>
<b>Sales</b>		
Local Sales @ 18%	8,247,492	-
<b>Total</b>	<b>8,247,492</b>	<b>-</b>
<b>Note 16 : Other Income</b>		
<b>PARTICULARS</b>	<b>For the year ending on 31.03.2020</b>	<b>For the year ending on 31.03.2019</b>
Commission Income	27,33,865	-
Labour Income	28,08,464	-
Consultancy Income	5,05,932	-
Marketing Charges	-	15,68,670
<b>Total</b>	<b>60,48,261</b>	<b>15,68,670</b>
<b>Note 17: Purchases</b>		
<b>PARTICULARS</b>	<b>For the year ending on 31.03.2020</b>	<b>For the year ending on 31.03.2019</b>
Local Purchases	89,61,159	-
<b>Total</b>	<b>89,61,159</b>	<b>-</b>
<b>Note 18: Changes in Inventories</b>		
<b>PARTICULARS</b>	<b>For the year ending on 31.03.2020</b>	<b>For the year ending on 31.03.2019</b>
Inventories at the end of the year	25,90,973	20,12,640
Inventories at the beginning of the year	20,12,640	20,12,640
<b>Net (Increase) /Decrease</b>	<b>(5,78,333)</b>	<b>-</b>
<b>Note 19: Employee Benefit &amp; Remuneration Expense</b>		
<b>PARTICULARS</b>	<b>For the year ending on 31.03.2020</b>	<b>For the year ending on 31.03.2019</b>
Directors Remuneration	4,30,000	-
Salaries (Staff)	10,56,517	2,13,000
Staff Welfare Expenses	1,15,330	-
<b>Total</b>	<b>16,01,847</b>	<b>2,13,000</b>
<b>Note 20: Financial Cost</b>		
<b>PARTICULARS</b>	<b>For the year ending on 31.03.2020</b>	<b>For the year ending on 31.03.2019</b>
Bank & Other Charges	8,214	-
<b>Total</b>	<b>8,214</b>	<b>-</b>
<b>Note 21: Administrative &amp; Selling Expense</b>		
<b>PARTICULARS</b>	<b>For the year ending on 31.03.2020</b>	<b>For the year ending on 31.03.2019</b>
Advertisement Expenses	1,07,580	70,000
Allotment Fees	1,00,000	-
Commission	8,00,000	-
Listing Fees	4,44,400	-
Penalty & Fine	5,900	-

Processing Fees	1,18,000	-
Office Expenses	5,271	-
Conveyance	4,201	-
Consultancy Charges	1,95,000	-
Annual Custody Fees	10,620	-
Issuer Fees	12,180	-
E voting Fees	5,000	-
Decoration charges	1,00,000	-
Miscellaneous Expenses	-	-
Transport Expenses	6,500	-
Donation	51,000	-
Interest on Income Tax'	18,072	-
Professional & Consulting Charges	2,12,000	1,10,200
Rent Paid	-	1,80,000
ROC Fee & Professional Fee	29,452	-
Amount written off	-	6,350
Business Promotion Expenses'	1,35,600	-
Marketing Expenses	-	98,650
Travelling Expenses	3,22,606	-
Repairs & Maintenance charges	1,850	-
Website Development Charges	12,500	-
Auditor Remuneration (Statutory Audit fees)	30,000	30,000
<b>Total</b>	<b>27,27,732</b>	<b>4,95,200</b>

<b>KCD Industries India Limited</b> <b>(formerly known as Ruchika Industries India Limited)</b>				
<b>NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020</b>				
<b>Note 22: Related party transactions</b>				
<b>(i)</b>	<b>Names of related parties and description of relationship:</b>			
	<b>a) Key management personnel –</b>			
	(1) Mrs Kavita Iyer (Whole Time Director)			
	(2) Mr. Sanjay Patkar (Executive Director)			
	(3) Mr. Virendra Panchal (Non Executive Director)			
	(4) Mr. Arun Kuttan (Chief Financial Officer)			
	(5) Mrs. Deepika Undhad ( Whole Time Company Secretary)			
	<b>b) Other related parties where common control exists –</b>			
	(1) KCD Heritage Private Limited			
	(2) KCD Priyanshi Print and Pack			
	(3) KCD Decore (OPC) Private Limited			
	(4) Rajskyline& KCD Builders Private Limited			
	(5) Prince KCD Heritage LLP			
	(6) Merito Charitable Trust			
<b>(ii)</b>	<b>Related party transactions:</b>			
	<b>Particulars</b>	<b>For the year ended on 31<sup>st</sup> March 2020</b>	<b>For the year ended on 31<sup>st</sup> March 2019</b>	
	<b><u>Director' Remuneration</u></b>			
	Kavita Iyer	2,00,000	-	
	Sanjay Patkar	2,30,000	-	
	<b><u>Salary Paid</u></b>			
	Deepika Undhad	1,44,000	-	
	Arun Kuttan	1,35,000	-	
	<b><u>Labour Charges Paid</u></b>			
	KCD Heritage Private Limited	92,16,451	-	
	<b><u>Purchases</u></b>			
	KCD Heritage Private Limited	72,20,600	-	
	<b><u>Sales</u></b>			
	Merito Charitable Trust	3,99,999	-	
	KCD Decore (OPC) Private Limited	4,55,086	-	
	KCD Heritage Private Limited	72,034	-	
	<b><u>Commission Income</u></b>			
	KCD Priyanshi Print & Pack	1,80,000	-	
	Rajskyline& KCD Builders Private Limited	1,50,000	-	
	KCD Heritage Private Limited	8,82,628	-	
	Prince KCD Heritage LLP	7,08,474	-	
	<b><u>Consultancy Income</u></b>			
	KCD Decore (OPC) Private Limited	5,05,932	-	
	<b><u>Trade Advance Received</u></b>			
	KCD Decore (OPC) Private Limited	50,03,322	-	
	<b><u>Trade Advance Paid</u></b>			
	KCD Decore (OPC) Private Limited	84,12,500	-	
	KCD Heritage Private Limited	3,51,24,800	-	
	KCD Priyanshi Print & Pack	50,000	-	
	Rajskyline & KCD Builders Private Limited	1,48,38,000	-	
	<b>Total</b>	<b>8,39,28,826</b>	<b>-</b>	
	<b>(iii)</b>	<b>Amounts outstanding as at the balance sheet date:</b>		
		<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2020</b>	<b>As at 31<sup>st</sup> March 2019</b>
<b><u>Trade Advances (Dr Balance)</u></b>				
KCD Decore (OPC) Private Limited		84,12,500	-	
KCD Heritage Private Limited		1,59,75,147	-	

	KCD Priyanshi Print & Pack	50,000	-
	Rajskyline& KCD Builders Private Limited	1,48,38,000	-
	<b><u>Sundry Debtors (Dr Balance)</u></b>		
	KCD Decore (OPC) Private Limited	10,83,407	-
	KCD Heritage Private Limited	19,86,368	-
	KCD Priyanshi Print & Pack	2,03,400	-
	Rajskyline& KCD Builders Private Limited	1,69,500	-
	Merito Charitable Trust	4,72,000	-
	Prince KCD Heritage LLP	8,00,576	-
	<b><u>Trade Advances (Cr Balance)</u></b>		
	KCD Decore (OPC) Private Limited	50,03,322	-
	<b>DR Balance</b>	<b>3,89,87,576</b>	<b>-</b>

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

<b>A</b>	<b>Equity Share Capital</b>	<b>As at 31<sup>st</sup> March 2020</b>	<b>As at 31<sup>st</sup> March 2019</b>
	<u>Balance at the beginning of the reporting year:</u> 20,00,000/- Equity shares of Rs.5/- each issued, subscribed and paid	1,00,00,000	1,00,00,000
	Changes in Equity Share capital during the year	-	-
	<b>Balance at the end of the reporting year</b>	<b>1,00,00,000</b>	<b>1,00,00,000</b>

<b>B</b>	<b>Other Equity</b>	<b>Reserves and Surplus</b>		<b>Items of Other Comprehensive Income (OCI)</b>	<b>Total</b>
		<b>Capital Reserve</b>	<b>Retained Earnings</b>	<b>Equity instruments through OCI</b>	<b>Other Equity</b>
	<b>Balance at the beginning of the reporting period 1<sup>st</sup> April 2019</b>		2,19,86,277		2,19,86,277
	Profit for the year		10,69,054		10,69,054
	Other comprehensive income for the year		-	-	-
	<b>Total comprehensive income for the year 31<sup>st</sup> March 2020</b>		<b>2,30,55,331</b>	<b>-</b>	<b>2,30,55,331</b>

Corporate information and significant accounting policies      Note 1

The notes are an integral part of these financial statements.

As per our report on even date

**For M/S. TDK & CO**  
Chartered Accountants  
Firm Reg. No. 109804W

**For and on behalf of the Board of Directors of  
KCD Industries India Limited**  
(formerly known as Ruchika Industries India Limited)

**Sd/-**  
**Shraddha Mota**  
Partner  
Membership No.: 135086  
UDIN: 20135086AAAAAV5097

**Sd/-**  
**Kavita Iyer**  
Managing Director  
DIN: 08417118

**Sd/-**  
**Sanjay Patkar**  
Director  
DIN: 08349171

**Sd/-**  
**Arun Kuttan**  
CFO

**Sd/-**  
**Deepika Undhad**  
CS & Compliance  
Officer

Place: Mumbai  
Date: 31<sup>st</sup> July, 2020