

JAIN & CO.
Chartered Accountants

P 21/22 Radha Bazar Street, Kolkata – 700 001

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AUDITOR'S REPORT ON QUARTERLY FINANCIAL RESULTS AND YEAR TO DATE RESULTS OF THE COMPANY PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

TO THE BOARD OF DIRECTORS OF KANCO ENTERPRISES LIMITED

1. We have audited accompanying the Statement of the Quarterly Financial Results of Kanco Enterprises Limited (“the Company”) for the quarter & year ended March 31, 2023, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 (“SEBI regulations”). The quarterly financial results derived figures between audited figures in respect of the year ended March 31, 2023 and the published year-to-date figures up to December 31, 2022, being the date of the end of the third quarter for the current financial year, which were subject to limited review. The financial results for the quarter & year ended March 31, 2023 have been prepared on the basis of the financial results for the nine-month period ended December 31, 2022, the Audited Annual IND AS Financial Statements as at and for the year ended March 31, 2023, and the relevant requirements of SEBI Regulations, which are the responsibility of the company’s management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our review of the financial results for the nine-month period ended December 31, 2022 which were prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (IND AS) 34 for Interim Financial Reporting, specified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; and other accounting principles generally accepted in India; our audit of the Annual IND AS Financial Statements as at and for the year ended March 31, 2023; and the relevant requirement of SEBI Regulations.



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2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. *The company has not provided Interest on unsecured loan of Rs. 99.40 lakhs (PY Rs 128 lakhs) received from non-related party. Amount of the Interest for the current year on the said loan as per last agreed rate with the parties is Rs. 13.83 lakhs (PY Rs. 13.58 lakhs)*

In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of the matter described in the paragraph 3, these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of Regulation in this regard; and
- (ii) give a true and fair view of the net profit and other financial information for the quarter ended March 31, 2023 and the net profit and other financial information the year ended March 31, 2023.



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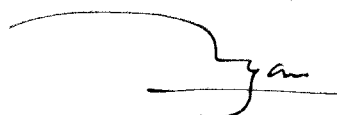
Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2023 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2023 and the published year-to-date figures upto December 31, 2022, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under Regulation.

For Jain & Co.

Chartered Accountants

(Registration No. 302023E)

UDIN: 23055048BGWCEG3430



(CA M.K.Jain)

Partner

(Membership No. 055048)

P-21/22, Radha Bazar Street,

Kolkata - 700001

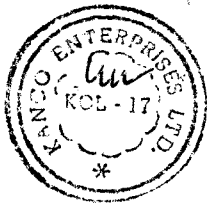
Dated the 30th day of May, 2023



PART I						(₹. in Lakhs)
STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2023						
Sl. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1.	Income from operations					
	(a) Revenue from operations	-	-	-	-	-
	(b) Other income	78	15	-	103	291
	Total income	78	15	-	103	291
2.	Expenses					
	(a) Employee benefits expense	7	2	2	13	17
	(b) Depreciation and amortisation expense	-	-	1	1	2
	(c) Other expenses	2	2	6	10	22
	Total expenses	9	4	9	24	41
3.	Profit / (Loss) before exceptional items and tax (1-2)	69	11	(9)	79	250
4.	Exceptional items- (income)/expense	-	-	(1,565)	-	(1,565)
5.	Profit / (Loss) before tax (3-4)	69	11	1,556	79	1,815
6.	Tax expenses	-	-	-	-	-
7.	Net Profit/(Loss) for the period year (5-6)	69	11	1,556	79	1,815
8.	Other comprehensive income (net of tax expenses)	-	-	-	-	-
9.	Total comprehensive income for the period / year (7+8)	69	11	1,556	79	1,815
10.	Paid -up equity share capital (Face value per share ₹. 10/-)	1,793	1,793	1,793	1,793	1,793
11.	Other Equity	-	-	-	(2,073)	(2,153)
12.	Earning per Share of ₹ 10/- each (not Annualised for the quarters) - Basic and Diluted	0.38	0.06	8.68	0.44	10.12

Part II - Statement of Assets and Liabilities

Part II - Statement of Assets and Liabilities		(₹. in Lakhs)	
Sl. No.	Particulars	As at	As at
		31/03/2023	31/03/2022
		(Audited)	(Audited)
A.	Assets		
1.	Non-Current Assets		
	(a) Property, plant and equipment	42	43
	(b) Financial assets		
	Others	4	4
	Sub-total Non-Current Assets (A)	46	47
2.	Current Assets		
	(a) Inventories	24	24
	(b) Financial assets		
	Cash and cash equivalents	3	2
	(c) Other current assets	93	35
	(d) Assets classified as held for sale	98	98
	Sub-Total Current Assets (B)	218	159
	Total Assets (A + B)	264	206
B.	Equity and Liabilities		
1.	Equity		
	(a) Equity share capital	1,793	1,793
	(b) Other equity	(2,073)	(2,153)
	Sub-total - Equity (A)	(280)	(360)
2.	Current Liabilities		
	(a) Financial liabilities		
	Borrowing	99	128
	Other financial liabilities	187	196
	(b) Other current liabilities	258	242
	Sub-total - Current Liabilities (B)	544	566
	Total Equity and Liabilities (A + B)	264	206



Statement of Cash Flows for the year ended 31st March, 2023

Particulars	(₹. in Lakhs)	
	As at 31/03/2023 (Audited)	As at 31/03/2022 (Audited)
A. Cash Flow from operating activities		
Profit before tax	79	1,815
Depreciation and amortisation expenses	1	2
Unsecured Loan W/Back	-	(1,206)
Interest on Unsecured Loan W/Back	-	(359)
Surplus on Sale of Property, Plant & Equipments	-	(291)
Operating profit before working capital changes	80	(39)
Adjustments for:		
Other current assets	(58)	(11)
Other current financial liabilities	(9)	(360)
Other current liabilities	16	-
Cash Generated from operations	29	(410)
Less: Direct Taxes net of refund	-	-
Net Cash Flow from Operating Activities	29	(410)
B. Cash flow from investing activities		
Property, Plant and Equipment Sold	-	1,364
Capital Advance Received	-	(350)
Net cash from / (used in) investing activities	-	1,014
C. Cash flow from financing activities		
Increase / (Repayment) in borrowings	(28)	(962)
Interest Paid	-	358
Net Cash used in financing activities	(28)	(604)
Net change in cash and cash equivalents	1	-
Opening balance - cash and cash equivalents	2	2
Closing balance - cash and cash equivalents	3	2

Notes:

- The above results were reviewed by the Audit Committee and approved at the meeting of Board of Directors held on May 30, 2023 and the Statutory Auditors have qualified their Audit Report in the matter stated in Note No. 4 below which are self explanatory.
- The Company is engaged in the business of manufacturing of cotton yarn & knitted fabrics. Since the Company's business falls within a single business segment, disclosure under Indian Accounting Standard (Ind AS) -108 Operating Segments is not applicable.
- In absence of probable future taxable profit, the Company has recognised deferred tax assets only to the extent of deferred tax liability, as stipulated by Indian Accounting Standard (Ind AS) -12.
- The company has not provided interest on unsecured intercorporate loan of Rs. 99 lakhs received from non-related party.
- The Company suspended operations in September, 2015 to contain losses due to un-favourable market conditions and financial constraints. The incentives given to new cotton spinning units under the state textile policy created an uneven playing field making it difficult for the older units to compete in times of general lack of demand and a situation of oversupply in the market. The financial statements as at 30-09-2015 and afterwards have been therefore been prepared on non going concern basis.
- The figures for the quarter ended 31-03-2023 and 31-03-2022 are the balancing figures between audited figures in respect of the full financial year and the unaudited published year to date figures upto nine months of the respective years which were subject to limited review.
- The figures have been re-grouped and re-classified, wherever necessary to make them comparable.



Kolkata, the 30th May, 2023

By the order of the Board

U. Kanoria
Chairman & Managing Director
DIN:00081108



Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results

Statement on Impact of Audit Qualifications for the year ended on 31st March, 2023				
I	Sl No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. in '000)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs. in '000)
	1.	Turnover/Total Income	10307.27	10307.27
	2.	Total Expenditure	2378.80	3761.92
	3.	Net Profit/(Loss)	7928.47	6545.32
	4.	Earnings Per Share	0.44	0.37
	5.	Total Assets	26429.29	6019.72
	6.	Total Liabilities	54475.71	134449.43
	7.	Net Worth	(28046.42)	(128429.71)
II	Audit Qualification (each audit qualification separately):			
1.	a. Details of Audit Qualification: not provided interest on unsecured inter-corporate loan of Rs.9940 received from non-related party. Amount of the Interest for the current year on the said loan as per last agreed rate with the parties is Rs. 1383.15 (P.Y. Rs. 1358.55)			
	b. Type of Audit Qualification: Qualified Opinion			
	c. Frequency of qualification: Appeared earlier in Annual Report for the year ended 31 st March, 2017, 31 st March, 2018, 31 st March, 2019, 31 st March, 2020, 31 st March, 2021 and 31 st March, 2022.			
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: The Company has shut down its operation in September, 2015. The proceeds out of land and building at Valthera and Machineries have been utilized for payment of OTS to secured lenders and unsecured lenders. The Company is facing acute liquidity crunch unable to make any payment to its lenders at the moment. The Company has therefore not provided any on unsecured loans.			
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: Not Applicable			
III	Signatories:			
	<ul style="list-style-type: none"> CEO/ Managing Director – U. Kanoria <p align="center"><i>U. Kanoria</i></p>			



- CFO – Madanlal Sharma

M.L. Sharma

- Audit Committee Chair person – Varsha Gupta

Varsha Gupta

- Statutory Auditor

For Jain & Co.
Chartered Accountants
Firm Registration No. 302023E



Jain

CA. M.K. Jain
Partner
Membership No. 055048

Date: May 30, 2023