

JAIN & CO.
Chartered Accountants

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

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INDEPENDENT AUDITOR'S REVIEW REPORT ON THE UNAUDITED FINANCIAL RESULTS OF KANCO ENTERPRISES LIMITED PURSUANT TO REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015 AS AMENDED

TO
THE BOARD OF DIRECTORS,
KANCO ENTERPRISES LIMITED

We have reviewed the accompanying statement of Unaudited Financial Results ("the Statement") of Kanco Enterprises Limited ("the Company") for the quarter ended on 30th September, 2019 and six months ended 30th September, 2019 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred as the " the Regulation") read with relevant circulars issued by the SEBI from time to time;

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors in their meeting held on 14th November, 2019, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133, of the Companies Act, 2013 read with relevant rules issued thereunder, SEBI Circular CIR/CFD/FAC 62/2016 dated 5th July, 2016 (hereinafter referred to as SEBI Circular) and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the "Institute of Chartered Accountants of India". This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



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Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards (Ind AS) as specified under Section 133 of the Companies Act, 2013 as amended, read with the relevant rules issued there under and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation, including the manner in which it is to be disclosed, or that it contains any material misstatement subject to the following :

- (i) Non provision of Interest on unsecured loan of certain parties; and
- (ii) No depreciation provided on Buildings and Plant and Machinery;

For JAIN & CO.
Chartered Accountants
(Registration No. 302023E)
UDIN : 19055048AAAAER8126



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

Place: Kolkata
Dated the 14th day of November, 2019



PART I

(₹ in Lakhs)

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30TH SEPTEMBER, 2019

Sl No.	Particulars	Quarter Ended			Six Months Ended		Year Ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1.	Income from operations	-	-	-	-	-	-
	(a) Revenue from operations	-	-	-	-	-	-
	(b) Other income	19	106	115	125	132	191
	Total income	19	106	115	125	132	191
2.	Expenses	-	-	-	-	-	-
	(a) Cost of materials consumed	-	-	-	-	-	-
	(b) Employee benefits expense	11	12	13	23	28	52
	(c) Finance cost	44	47	69	91	69	237
	(d) Depreciation and amortisation expense	1	1	1	2	2	5
	(e) Other expenses	17	22	19	39	31	58
	Total expenses	73	82	102	155	130	352
3.	Profit / (Loss) before exceptional items and tax (1-2)	(54)	24	13	(30)	2	(161)
4.	Exceptional items- income/(expense)	-	-	-	-	-	5,343
5.	Profit / (Loss) before tax (3-4)	(54)	24	13	(30)	2	5,182
6.	Tax expenses	-	-	-	-	-	-
7.	Net Profit/(Loss) for the period (5-6)	(54)	24	13	(30)	2	5,182
8.	Other comprehensive income (net of tax expenses)	-	-	-	-	-	-
9.	Total comprehensive income for the period (7+8)	(54)	24	13	(30)	2	5,182
10.	Paid -up equity share capital (Face value per share ₹ 10/-)	1,793	1,793	1,793	1,793	1,793	1,793
11.	Other Equity (as per balance sheet of previous accounting year)	-	-	-	-	-	(3,840)
12.	Earning per share (EPS) of ₹ 10 per share	-	-	-	-	-	-
	Basic & Diluted EPS (₹ per share) (Not annualised)	(0.30)	0.13	0.07	(0.17)	0.01	28.90

Part II - Statement of Assets and Liabilities

Sl No.	Particulars	(₹ in Lakhs)	
		As at 30/09/2019	As at 31/03/2019
		(Unaudited)	(Audited)
A.	Assets		
1.	Non-Current Assets		
	(a) Property, plant and equipment	1,121	1,124
	(b) Financial assets		
	Others	4	4
	(c) Other non-current assets		
	Sub-total Non-Current Assets (A)	18	18
2.	Current Assets	1,143	1,146
	(a) Inventories	24	24
	(b) Financial assets		
	Cash and cash equivalents	6	14
	(c) Other current assets	6	6
	(d) Assets classified as held for sale	133	216
	Sub-Total Current Assets (B)	169	260
	Total Assets (A + B)	1,312	1,406
B.	Equity and Liabilities		
1.	Equity		
	(a) Equity share capital	1,793	1,793
	(b) Other equity	(3,871)	(3,840)
	Sub-total - Equity (A)	(2,078)	(2,047)
2.	Non-Current Liabilities		
	(a) Financial liabilities		
	Borrowing	434	434
	Sub-total - Non-Current Liabilities (B)	434	434
3.	Current Liabilities		
	(a) Financial liabilities		
	Borrowing	2,136	2,337
	Trade payable	-	-
	Other financial liabilities	506	416
	(b) Other current liabilities	310	262
	(c) Provisions	4	4
	Sub-total - Current Liabilities (C)	2,956	3,019
	Total Equity and Liabilities (A + B + C)	1,312	1,406



Statement of Cash Flows for the period ended 30th September, 2019

Particulars	(' in Lakhs)	
	As at 30/09/2019 (Unaudited)	As at 30/09/2018 (Unaudited)
A. Cash Flow from operating activities		
Profit before tax		
Depreciation and amortisation expenses	(30)	2
Finance Cost	2	2
Surplus on sale of property, plant and equipments	91	69
Operating profit before working capital changes	(125)	(132)
Adjustments for:	(62)	(59)
Other Current Assets	-	-
Trade Payables	-	11
Other current financial liabilities	-	(6)
Other current liabilities	-	181
Short-term Employee benefit obligations	(21)	5
Cash Generated from operations	-	(3)
Less:Direct Taxes net of refund	(83)	129
Net Cash Flow from Operating Activities	-	-
	(83)	129
B. Cash flow from investing activities		
Property, Plant and Equipment Sold		
Capital Advance Received	208	201
Net cash from / (used in) investing activities	69	146
	277	347
C. Cash flow from financing activities		
Increase / (Repayment) in borrowings		
Interest Paid	(201)	(480)
Net Cash used in financing activities	(1)	(16)
Net change in cash and cash equivalents	(202)	(496)
Opening balance - cash and cash equivalents	(8)	(20)
Closing balance - cash and cash equivalents	14	32
	6	12

Notes:

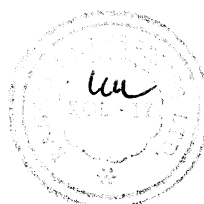
- The above results were reviewed by the Audit Committee and approved at the meeting of Board of Directors held on November 14, 2019 and the Statutory Auditors have qualified their Audit Report in the matter stated in Note Nos. 5 below which are self explanatory.
- These results has been prepared in accordance with the Ind AS notified under the Companies (Indian Accounting Standard) Rules 2015.
- 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 ` .434.35 lakhs from related party and unsecured loan of ` .696.6 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 prepared on non going concern basis.
- Company has not provided depreciation on Building, Plant & Equipments for the year ended March 31, 2018 and afterwards, in absence of active use of the same.
- The figures have been re-grouped and re-classified, wherever necessary to make them comparable.

By the order of the Board -

U. Kanoria

U. Kanoria
Chairman & Managing Director
DIN:00081108

Kolkata, the 14th November, 2019



Kanco Enterprises Limited

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Extract of Unaudited Financial Results for the Quarter and Half year ended 30th September, 2019

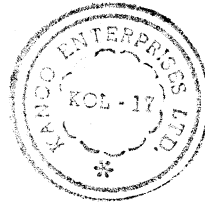
(₹ in Lakhs)

Sl. No.	Particulars	Quarter Ended 30/09/2019	Quarter Ended 30/09/2018	Six Months Ended 30/09/2019
		(Unaudited)	(Unaudited)	(Unaudited)
1.	Total Income from Operations	19	115	125
2.	Net Profit/(Loss) for the period before tax and exceptional items	(54)	13	(30)
3.	Net Profit/(Loss) for the period before tax and after exceptional items	(54)	13	(30)
4.	Net Profit/(Loss) for the period after tax and exceptional items	(54)	13	(30)
5.	Total Comprehensive Income for the period (Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (after tax))	(54)	13	(30)
6.	Paid-up Equity Share Capital (Face value per shares ₹ 10/-)	1793	1793	1793
7.	Other Equity	-	-	(3840)
8.	Earning Per Share (of ₹10/- each)			
	Basic & Diluted (Not Annualised)	(0.30)	0.07	(0.17)

Note:

- The above is an extract of the detailed format of Quarterly Results filed with the Calcutta Stock Exchange Limited, under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The full format of the Quarterly Results along with Report of the Statutory Auditors are available on the Stock Exchange website: <http://www.cse-india.com> and on the Company website: <http://kanco.in>
- The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 14th of November, 2019. The Statutory Auditors have carried out a "Limited Review" of the aforesaid results.

By the order of the Board



U. Kanoria
U. Kanoria

Chairman & Managing Director
DIN : 00081108

Kolkata, the 14th November, 2019