

**JAIN & CO.**  
**CHARTERED ACCOUNTANTS**

P-21/22, Radha Bazar Street, Kolkata-700 001,  
Email : mkjainandco@gmail.com

Phones : 0334060 9190/4005 1810  
Mobile : 98305 35004/94332 40011

**Independent Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).**

**To the Board of Directors,  
KANCO ENTERPRISES LIMITED**

**Opinion**

1. We have audited the accompanying standalone annual financial results ('the Statement') of **Kanco Enterprises Limited** ('the Company') for the quarter and year ended 31 March 2025, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time.
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) Presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations, and
  - (ii) gives a true and fair view in conformity with the applicable Indian Accounting Standards ('IND AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the standalone net loss after tax and other comprehensive income and other financial information of the Company for the year ended 31 March 2025.

**Basis for Opinion**

3. We conducted our audit 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 Statement 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 ('the ICAI') together with the ethical requirements that are relevant to our audit of the 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.



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**Responsibilities of Management and Those Charged with Governance for the Statement**

4. This Statement has been prepared on the basis of the standalone annual audited financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss and other comprehensive income and other financial information of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations. 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 Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
5. In preparing the Statement, the Board of Directors 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.
6. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Statement**

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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, specified under section 143(10) of the Act, 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 this Statement.
8. As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the Statement, 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.



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- 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 in place adequate internal financial controls with reference to financial statements 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 the management.
  - Conclude on the appropriateness of the management's 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 Statement 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 Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.
9. Materiality is the magnitude of misstatements in the Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Results may be influenced. We don't 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 Results.
10. 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.
11. 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.



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**Other Matter(s)**

12. The Statement includes the financial results for the quarter ended 31 March 2025, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.
13. The Company has not provided Interest on unsecured loan of Rs. 96.12 lakhs (P.Y. Rs. 76.72 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. 8.72 lakhs (PY 8.64 lakhs)

For Jain & Co.  
Chartered Accountants  
Registration No. 302023E  
UDIN : 25055048BMJKOK7308



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

Place: Kolkata  
Dated the 30<sup>th</sup> day of May, 2025



PART I						(₹. in Lakhs)
STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2025						
Sl. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2025	31.12.2024	31.03.2024	31.03.2025	31.03.2024
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1.	Income from operations					
	(a) Revenue from operations	-	-	-	-	-
	(b) Other income	-	-	1	-	1
	Total income	-	-	1	-	1
2.	Expenses					
	(a) Employee benefits expense	2	1	2	6	6
	(b) Depreciation and amortisation expense	-	-	-	1	1
	(c) Other expenses	1	5	2	13	12
	Total expenses	3	6	4	20	19
3.	Profit / (Loss) before exceptional items and tax (1-2)	(3)	(6)	(3)	(20)	(18)
4.	Exceptional items- (income)/expense	-	-	-	-	-
5.	Profit / (Loss) before tax (3-4)	(3)	(6)	(3)	(20)	(18)
6.	Tax expenses	-	-	-	-	-
7.	Net Profit/(Loss) for the period year (5-6)	(3)	(6)	(3)	(20)	(18)
8.	Other comprehensive income (net of tax expenses)	-	-	-	-	-
9.	Total comprehensive income for the period / year (7+8)	(3)	(6)	(3)	(20)	(18)
10.	Paid -up equity share capital (Face value per share ₹. 10/-)	1,793	1,793	1,793	1,793	1,793
11.	Other Equity				(2,111)	(2,091)
12.	Earning per Share of ₹ 10/- each (not Annualised for the quarters) - Basic and Diluted	(0.02)	(0.03)	(0.02)	(0.11)	(0.10)

Part II - Statement of Assets and Liabilities as at 31st March, 2025

				(₹. in Lakhs)	
Sl. No.	Particulars	As at		As at	
		31/03/2025		31/03/2024	
		(Audited)		(Audited)	
A.	Assets				
1	Non-Current Assets				
	(a) Property, plant and equipment		40		41
	(b) Financial assets				
	Others		4		4
	Sub-total Non-Current Assets (A)		44		45
2	Current Assets				
	(a) Inventories		24		24
	(b) Financial assets				
	Cash and cash equivalents		2		2
	(c) Other current assets		38		37
	(d) Assets classified as held for sale		98		98
	Sub-Total Current Assets (B)		162		161
	Total Assets (A + B)		206		206
B	Equity and Liabilities				
1	Equity				
	(a) Equity share capital		1,793		1,793
	(b) Other equity		(2,111)		(2,091)
	Sub-total - Equity (A)		(318)		(298)
2	Current Liabilities				
	(a) Financial liabilities				
	Borrowing		96		77
	Other financial liabilities		186		185
	(b) Other current liabilities		242		242
	Sub-total - Current Liabilities (B)		524		504
	Total Equity and Liabilities (A + B)		206		206



## Statement of Cash Flows for the year ended 31st March, 2025

(₹. in Lakhs)

Particulars	As at 31/03/2025 (Audited)	As at 31/03/2024 (Audited)
<b>A. Cash Flow from operating activities</b>		
Profit before tax	(20)	(18)
Depreciation and amortisation expenses	1	1
Operating profit before working capital changes	(19)	(17)
Adjustments for:		
Other current assets	(1)	53
Other current financial liabilities	-	(1)
Other current liabilities	-	(16)
Cash Generated from operations	(20)	19
Less: Direct Taxes net of refund	-	(3)
<b>Net Cash Flow from Operating Activities</b>	<b>(20)</b>	<b>22</b>
<b>B. Cash flow from investing activities</b>		
Property, Plant and Equipment Sold	-	-
Capital Advance Received	-	-
<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>
<b>C. Cash flow from financing activities</b>		
Increase / (Repayment) in borrowings	20	(23)
Interest Paid	-	-
<b>Net Cash used in financing activities</b>	<b>20</b>	<b>(23)</b>
<b>Net change in cash and cash equivalents</b>	<b>-</b>	<b>(1)</b>
<b>Opening balance - cash and cash equivalents</b>	<b>2</b>	<b>3</b>
<b>Closing balance - cash and cash equivalents</b>	<b>2</b>	<b>2</b>

## Notes:

- The above results were reviewed by the Audit Committee and approved at the meeting of Board of Directors held on May 30, 2025 and the Statutory Auditors have qualified their Audit Report in the matter stated in Note No. 4 below which are self explanatory.
- The Company was engaged in the business of manufacturing of cotton yarn & knitted fabrics and suspended its operation in September, 2015 and hence 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. 96.12 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 31-03-2025 and 31-03-2024 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, 2025



By the order of the Board

*U. Kanoria*  
 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, 2025				
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	0.00	0.00
	2.	Total Expenditure	1961.87	2834.06
	3.	Net Profit/(Loss)	(1961.87)	(2834.06)
	4.	Earnings Per Share	(0.11)	(0.16)
	5.	Total Assets	20587.64	178.07
	6.	Total Liabilities	52386.39	135479.68
	7.	Net Worth	(31798.75)	(135301.61)
II	Audit Qualification (each audit qualification separately):			
1.	a. Details of Audit Qualification: not provided interest on unsecured inter-corporate loan of Rs.9612 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. 872.19 (P.Y. Rs. 864.23)			
	b. Type of Audit Qualification: Qualified Opinion			
	c. Frequency of qualification: Appeared earlier in Annual Report for the year ended 31 <sup>st</sup> March, 2017, 31 <sup>st</sup> March, 2018, 31 <sup>st</sup> March, 2019, 31 <sup>st</sup> March, 2020, 31 <sup>st</sup> March, 2021, 31 <sup>st</sup> March, 2022, 31 <sup>st</sup> March, 2023 and 31 <sup>st</sup> March, 2024.			
	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:			
	• CEO/ Managing Director – U. Kanoria			
	 			



• CFO – Madanlal Sharma	
<u>M.L. Sharma</u>	
• Audit Committee Chair person – Varsha Gupta	
<u>Varsha Gupta</u>	
• Statutory Auditor	For Jain & Co. Chartered Accountants Firm Registration No. 302023E
	
	CA. M.K. Jain Partner Membership No. 055048
Date: May 30, 2025	

