KANCO ENTERPRISES LIMITED

ANNUAL REPORT

2025-26

KANCO ENTERPRISES LIMITED

(CIN: L51909WB1991PLC053283)

Annual Report & Accounts 2025-2026

CONTENTS

AUDITORS
M/s. Jain & Co.
Chartered Accountants

REGISTERED OFFICE
Jasmine Tower
3rd Floor, 31, Shakespeare Sarani
Kolkata 700 017
Telefax: +91 33 2281 5217
Email: compliance@kanco.in
Website: www.kanco.in

BRANCH OFFICE
207, Shitiratna, 2nd Floor
Panchavati Circle, Ahmedabad 380 006

SHARE REGISTRARS
MUFG Intime India Limited
Corporate Office:
Rasoi Court, 5th Floor
20 R. N. Mukherjee Road, Kolkata - 700 001
Registered Office:
C-101, 1st Floor, 247 Park, L.B.S. Marg
Vikhroli (West), Mumbai - 400 083
Tel.: +91 033 6906 6200
Email: investor.helpdesk@in.mpms.mufg.com
Website: www.in.mpms.mufg.com

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty Fifth (35th) Annual General Meeting (AGM) of Kanco Enterprises Limited will be held on Tuesday, 18th August, 2026 at 11:30 a.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2026, together with the reports of the Board of Directors and Auditors thereon;
2. To appoint a director in place of Mr. Sanjay Kumar Chaurasia (DIN: 08453443), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

3. To re-appoint Ms. Varsha Gupta (DIN: 09047421) as an Independent Director of the Company

To consider and if thought fit, to pass the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149,150,152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 16(1)(b), 17, 25 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactment thereof for the time being in force) and the provisions of the Articles of Association of the Company and on the recommendation of the Nomination and Remuneration Committee of the Company, Ms. Varsha Gupta (DIN: 09047421), Independent Director of the Company, whose term of office as an Independent Director is liable to expire at the conclusion of the Annual General Meeting for the Financial Year ended 31st March, 2026 be and is hereby re-appointed as an Independent Director of the company to hold office for a further period of 5(five) consecutive years from the conclusion of this Annual General Meeting till the Annual General Meeting for the Financial Year ended 31st March, 2031, not liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters, things, and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

4. To ratify / approve related party transaction

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time read with relevant circulars as issued by SEBI in this connection from time-to-time, Section 188 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Rules made thereunder, other applicable laws/statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment (s) thereof, for the time being in force), the Company's Policy on Related Party Transactions, and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and on the basis of approval and recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded to the Company to enter/continue to enter into Material Related Party Transaction (whether by way of an individual transaction or transaction taken together or series of transactions or otherwise,) with Mr. Umang Kanoria, related party falling within the definition of 'Related Party' under Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations, during financial year 2026-2027 on such material terms and conditions as detailed in the explanatory statement to this Resolution and as may be mutually agreed between related party and the Company, such that the maximum value of the Related Party Transaction with such party, in aggregate, does not exceed value as detailed in the explanatory statement provided that the said Transaction shall be carried out in the ordinary course of business and at arm's length basis."

Notice (*Contd.*)

"RESOLVED FURTHER THAT the consent of the members of the Company be and is accorded to the Board of Directors of the Company to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution."

"RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

Registered Office:
Jasmine Tower, 3rd Floor
31, Shakespeare Sarani, Kolkata – 700017
CIN: L51909WB1991PLC053283
Telefax: (033) 22815217
Website: www.kanco.in
Dated: 28th May, 2026

By Order of the Board
For: **Kanco Enterprises Limited**

Manisha Gupta
Company Secretary
ICSI Membership No.: ACS47310

NOTES:

I. The Ministry of Corporate Affairs, Government of India ("MCA") has, vide its circular No. 3/2025 dated September 22, 2025, read with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, September 25, 2023 and September 19, 2024, (collectively referred to as "MCA Circulars"), inter-alia allowed conducting of AGM through Video Conferencing/ Other Audio-Visual Means ("VC/OAVM") facilities without the physical presence of the Members, Directors, Auditors and other persons at common venue. In compliance with the provisions of the Act, SEBI Listing Regulations, MCA Circulars and SEBI Circular and all other relevant circulars issued from time to time, the 35th AGM of the Company is being conducted through VC / OAVM facility.

II. The AGM being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. Since the AGM will be held through VC / OAVM, the Route map is not annexed to this Notice. Corporate Members authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting or e-voting during the AGM, are requested to send scanned copy (PDF/JPG) of its Board or governing body Resolution / authority letter, together with attested specimen signature of the duly authorized signatory through email to the Scrutinizer of the AGM at aklabhcs@gmail.com with copies marked to the Company at compliance@kanco.in and to its RTA at investor.helpdesk@in.mpms.mufg.com.

III. 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 to at least 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, Scrutinizer, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

IV. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

V. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.kanco.in. The Notice can also be accessed from the website of the Stock Exchange i.e., the Calcutta Stock Exchange Limited at www.cse-india.com, respectively, and the AGM Notice is also available on the website of CDSL i.e. www.evotingindia.com.

VI. Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013, in respect to Special Business– 3 and 4 of the accompanying Notice is annexed hereto.

VII. Pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standards-2 on General Meetings issued by the Institute of Company Secretaries of India, the details in respect of Directors seeking appointment and re-appointment at this AGM are provided as an annexure to the Notice. (Annexure – I)

Notice (*Contd.*)

VIII. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 12th August, 2026 to Tuesday, 18th August, 2026 (both days inclusive) for the purpose of 35th Annual General Meeting.

IX. Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/ mobile numbers, PAN, power of attorney registration, Bank Mandate details, etc. to their DPs in case the shares are held in electronic form and to the RTA/Company in case the shares are held in physical form, in prescribed Form No. ISR-1, quoting their folio number and enclosing the self-attested supporting documents as stated therein. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market. It is mandatory to link PAN to Aadhar for the PAN to be valid and operative.

X. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019. Further, transmission or transposition of securities held in physical or dematerialised form shall be affected only in dematerialized form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, M/s. MUFG Intime India Private Limited for assistance.

Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz. Issue of duplicate securities certificate; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Further SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/65 dated May 18, 2022 has simplified the procedure and standardized the format of documents for transmission of securities. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, as the case may be.

With effect from April 2, 2026, SEBI has dispensed with the requirement of issuance of a Letter of Confirmation (LOC) by the Company/RTA while processing service request#. Accordingly, securities will be credited directly to the shareholder’s demat account upon submission of valid demat account details along with the latest Client Master List (not older than 2 months), Demat Conversion Request Form for NSDL/ Demat Request form for CDSL and Latest Client Master List, both attested by Depository Participant, besides mandatory documents for the subject service requests subject to folio being KYC Compliant. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4.

XI. The facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form SH-13. [Section 72 of the Act]. If a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Member may submit the requisite application in Form ISR-3(Declaration Form for Opting-Out of Nomination) or Form SH-14 (Cancellation or Variation of Nomination), as the case may be. The said forms can be downloaded from the Company’s website at www.kanco.in. Members are requested to submit the said form to their DPs, in case the shares are held in electronic form, quoting their DP ID/ Client ID and to the RTA, in case the shares are held in physical form, quoting their folio no(s).

XII. To facilitate ease of investing for holders of securities in physical form, SEBI, vide its circular dated 30th January 2026, has opened an additional special window for a period of one (1) year, from 5th February 2026 to 4th February 2027, for lodgment of transfer deeds and dematerialisation of physical securities. This window is applicable to physical securities that were sold or purchased prior to 1 April 2019. The securities so transferred shall be mandatorily credited to the transferee only in demat mode and shall be under lock-in for a period of one year from the date of registration of transfer and such securities shall not be transferred / lien -marked / pledged during the said lock-in period. However, the claimant must have the original security certificate with them and the same should not have been transferred to Investor Education and Protection Fund for any reason.

XIII. Members who have any grievance/ complaints are requested to write to Company’s RTA and if required they may escalate to the Company Secretary. If the member is not satisfied with the response a complaint can be lodged on SCORES – SEBI portal. The investor can also initiate dispute resolution through the ODR Portal (https://smartodr.in/login) and the same can also be accessed through the Company’s website at www.kanco.in.

Notice (*Contd.*)

XIV. Shareholders are informed that in terms of the provisions of the Listing Regulations, the Company is required to intimate the Stock Exchanges the details of the agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the Company is a party to such agreements. Accordingly, it is hereby advised to the shareholders to inform the Company about any such agreement to which the Company is not a party, within two working days of entering into such agreements or signing an agreement to enter into such agreements. The Company will inform the details of such agreements to the Stock Exchanges on it becoming aware of it within the prescribed timelines.

[Explanation: For the purpose of this clause, the term ‘directly or indirectly’ includes agreements creating an obligation on the parties to such agreements to ensure that the listed entity shall or shall not act in a particular manner.]

XV. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

XVI. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Registrar and Share Transfer Agent of the Company, in case the shares are held by them in physical form.

XVII. Notice of the 35th AGM along with the Annual Report for the year 1st April, 2025 to 31st March, 2026, instructions for e-voting and instructions for attending AGM through VC/OAVM, is being sent through electronic mode only to the members whose email addresses are registered with the Company/Depository Participant(s), unless any Member has requested for physical copy of the same. Members may note that the aforesaid documents will also be available on the Company’s website www.kanco.in, website of the Stock Exchange i.e. Calcutta Stock Exchange at www.cse-india.com and on the website of CDSL i.e. www.evotingindia.com. As per Regulation 36(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the web-link, including the exact path, where complete details of the Annual Report are available will also be sent to those member(s) who have not registered their email address(es) either with the Company or with any Depository or MUFG Intime India Private Limited, Registrar & Share Transfer Agent (RTA) of the Company.

XVIII. All the documents referred to in the accompanying Notice and the Explanatory Statement shall be available for inspection. Scanned copies of the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act and the Register of Contracts or Agreements in which the Directors are interested maintained under Section 189 of the Act will be available for inspection by the Members in electronic mode during the AGM.

XIX. Members having queries may send their queries in advance seven (7) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

XX. Voting through electronic means: **Remote e-voting and e-voting during AGM**

a. 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 MCA Circulars 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 Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

b. The remote e-voting period begins on Friday, 14th August, 2026 (9:00 a.m. IST) and end on Monday, 17th August, 2026 (5:00 P.M). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Tuesday, 11th August, 2026 may cast their vote

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electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast 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 during the AGM. The voting rights 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.

c. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. Tuesday, 11th August, 2026.

d. The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM, but shall not be entitled to cast their vote again.

e. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Tuesday, 11th August, 2026 may obtain the login ID and password by sending a request at compliance@kanco.in/ investor.helpdesk@in.mpms.mufg.com.

f. Mr. A.K. Labh, Partner (FCS – 4848 / CP-3238) of LABH & LABH Associates, Company Secretaries, Kolkata has been appointed as the Scrutinizer for conducting the remote e-voting and e-voting process at the AGM in a fair and transparent manner.

g. E-voting Instructions: The details of the process and manner for remote e-voting are explained herein below:

i) Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	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 to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on Login icon and select New System Myeasi Tab. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting 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 i.e. CDSL/NSDL/KARVY/LINKINTIME, 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 icon and select 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 e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.

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Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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.

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

Login type	Helpdesk details
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 21 09911
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

(ii) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

a. The shareholders should log on to the e-voting website www.evotingindia.com.

b. Click on "Shareholders" module.

c. Now enter your User ID

— For CDSL: 16 digits beneficiary ID,

— For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

— Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

d. Next enter the Image Verification as displayed and Click on Login.

e. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

f. If you are a first-time user follow the steps given below:

Login type	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number indicated in the PAN field of the email sent to them. • Members who have not registered their email address may obtain the sequence number from the Company after registering their email address as per process defined in point no. xvi
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(iii) After entering these details appropriately, click on "SUBMIT" tab.

(iv) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field.

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Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(v) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(vi) Click on the EVSN for the relevant <KANCO ENTERPRISES LIMITED>.

(vii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(viii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(ix) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(x) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xiii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xiv) Note for Non – Individual Shareholders and Custodians

— Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

— A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

— After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

— The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

— It is Mandatory that, a scanned copy of the Board Resolution/ Authority Letter / Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

— Alternatively Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; aklabhcs@ gmail.com/ compliance@kanco.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

— Please note that in case of Non-Individual Shareholders (i.e. other than individuals, HUF, NRI, etc.), furnishing of the Board Resolution/Authority Letter/ Power of Attorney, in any mode as mentioned hereinabove is mandatory and in lack of it, the vote would be considered invalid by the Scrutinizer.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing,25th

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Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

(xv) Process for those shareholders whose email addresses/mobile nos. are not registered with the Depositories/Company

1. For Physical shareholders- please provide necessary details like 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 Company/RTA email id.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

Instructions for Members attending the Annual General Meeting (AGM) through VC/OAVM and e-voting during the Annual General Meeting (AGM) are as under:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Only those Shareholders, who are 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 available during the AGM.
4. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
5. Shareholders 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. If a member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as “INVALID”
6. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
7. Further Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
8. 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.
9. Shareholders who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at compliance@kanco.in from Monday, 3rd August, 2026 (9:00 a.m. IST) to Monday, 10th August, 2026 (5:00 p.m. IST). Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
10. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no.1800 21 09911.

Notice (*Contd.*)

h. **General Information**

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses who are not in the employment of the Company and make, not later than 2 (two) working days of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or to a person authorized by the Chairman in writing who shall countersign the same.
2. The Chairman or the person authorized by him in writing shall forthwith on receipt of the consolidated Scrutinizer's Report, declare the Results of the voting. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website and on the website of CDSL immediately after the results is declared and communicated to the Stock Exchanges where the equity shares of the Company are listed.
3. Subject to the receipt of requisite number of votes, the Resolutions forming part of the Notice of Annual General Meeting shall be deemed to be passed on the date of the AGM i.e., 18th August, 2026.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Item No-3

Ms. Varsha Gupta (DIN: 09047421) born on 30th November, 1993, aged about 33 years holds Bachelor of Commerce with Accountancy Honours degree from Calcutta University and has experience in the field of accounts, finance and other applicable laws. She is an associate member of the Institute of Company Secretaries of India (ACS 54566). Ms. Gupta does not hold by herself or for any other person on a beneficial basis, any shares in the Company.

She was appointed as an Independent Director for a period of 5 years at the 30th Annual General Meeting of the Company held on 14th September, 2021 which is liable to expire at the close of the Annual General Meeting for the Financial Year ended 31st March, 2026. The Board in its meeting held on 28th May, 2026 proposed her reappointment as an Independent Director for a further period of 5 years on the recommendation of Nomination and Remuneration Committee.

Ms. Gupta is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. The Company has received (i)form DIR-8 from her in terms of Section 164(2) of the Companies Act, 2013 and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 confirming her eligibility (ii) a declaration to the effect that she meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 read with rules and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (iii) consent letter to act as an Independent Director of the Company, if reappointed.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Ms. Gupta being eligible and offering herself for reappointment, is proposed to be appointed as an Independent Director for the further period of five years, from the conclusion of this Annual General Meeting till the Annual General Meeting for the Financial Year ended 31st March, 2031, not liable to retire by rotation.

In the opinion of the Board of Directors, Ms. Gupta fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder and is independent of the Management. Copy of the draft letter of appointment of Ms. Gupta as an Independent Director setting out the terms and conditions would be available for inspection by members at the Registered Office of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives, except. Ms. Varsha Gupta, is in any way concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends the Special Resolution set out at item No. 3 of the accompanying Notice for approval of the Members.

Item No-4

Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), inter alia, states that all Material Related Party Transactions ('RPTs')

Notice (*Contd.*)

shall require prior approval of the Members by way of an Ordinary Resolution, even if such transaction(s) are in the ordinary course of business and at an arm's length pricing basis. A transaction with a Related Party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeds the limits prescribed under Schedule XII of the SEBI Listing Regulations.

Minimum Information required to be placed before the Shareholders for approval of Related Party Transactions in terms of SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026 is provided vide Annexure – II. Further, information in terms of Rule 15 of The Companies (Meeting of Board and its Power) Rules,2014 is also provided vide Annexure – III.

Based on current applicable threshold for determining the related party transactions that require prior Shareholders approval, the Company seeks the approval of the shareholders to approve entering into contracts/arrangements within the thresholds and conditions mentioned in the resolution. The contracts/arrangement and the transaction with "related party" is reviewed and approved by the Audit Committee.

The Shareholders' approval sought for the Material Related Party Transaction to be entered during F.Y. 2026-2027 as given in Item No. 4 shall be valid up to the date of next AGM.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, other than as mentioned, are concerned or interested in the respective resolutions. The said transaction has been recommended by the Audit Committee and Board of Directors of the Company for consideration and approval by the Shareholders through Ordinary Resolution.

The Shareholders may note that as per the provisions of the SEBI Listing Regulations, all related parties (whether such related party is a party to the above-mentioned transactions or not), shall not vote to approve the resolution set out at Item No. 4. In view of the above, Resolution No. 4 are placed for approval of the Shareholders of the Company.

Annexure – I

Details of Director seeking reappointment at the Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard on General Meeting (SS-2) as amended.

Particulars	Mr. Sanjay Kumar Chaurasia	Ms. Varsha Gupta
DIN	08453443	09047421
Date of Birth and Age	17th January, 1983, 43 years	30th November, 1993, 32 years
Date of first Appointment on the Board	15th May, 2019	9th February, 2021
Category	Non-Executive Non-Independent	Non-Executive Independent
Qualifications	M.B.A, B. Com	ACS, B. Com (Hons)
Nature of Expertise in functional areas	Mr. Sanjay Kumar Chaurasia holds Master in Business Administration and Bachelor of Commerce degree. He has 24 years of experience in the field of Accounts, Indirect Tax and Marketing.	Ms. Varsha Gupta is an associate member of the Institute of Company Secretaries of India has 11 years of experience in the field of accounts, finance and, indirect taxes other applicable laws.
Number of Meetings of the Board attended during the year	4/4	4/4
Terms and conditions of appointment or re-appointment	He is retiring by rotation and being eligible, offers himself for re-appointment.	She will be re-appointed as an Independent Director of the Company for a second term of 5(five) consecutive years with effect from 6th May, 2027.
Details of remuneration sought to be paid (Rs. in lakhs)	Nil	Nil

Notice (*Contd.*)

Particulars	Mr. Sanjay Kumar Chaurasia	Ms. Varsha Gupta
Remuneration last drawn during financial year 2025-26 (Rs. in lakhs)	Nil	Nil
List of Directorships of other Board, including listed entities	1. Suryasakti Commodities Private Limited	Nil
Names of other listed entities from which the person has resigned in the past three years	Nil	Nil
List of Membership/Chairmanship of Committees of other Board	Nil	Nil
Number of shares held by him in Kanco Enterprises Limited:	Nil	Nil
a) Own	Nil	Nil
b) Beneficial basis	Nil	Nil
Relationship with any Director(s) and KMPs of the Company	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel
Skills and capabilities for the role of Independent Director and how he/she meets such requirements	N.A.	She possesses a wealth of hands-on leadership experience. Her career highlights a strong track record in Financial Specialty and she can fulfil rigorous monitoring and reporting functions, providing robust oversight of the company's financial integrity. She brings a comprehensive understanding of statutory requirements and corporate governance.

Annexure - II

Minimum Information required to be placed before the Shareholders for approval of Related Party Transaction in terms of SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026 are as follows:

	Particulars of the information	Information provided by Management
a.	A summary of information	The company proposes to take an unsecured loan of Rs.20 lakhs at nil interest rate for a period of 365 days from Mr. Umang Kanoria (DIN:00081108), the Promoter-Chairman and Managing Director of the company, who also holds 22.36% shares in the company.
b.	Justification as to why the proposed transaction is in the interest of the company	The loan will be utilized to meet the day to day running expenses of the company.
c.	Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the company or its subsidiary	Not applicable
	A statement that the valuation or other external report, if any, relied upon by the company in relation to the proposed transaction will be made available through the registered email address of the shareholders	Not applicable
d.	The percentage of Mr. Umang Kanoria's annual consolidated turnover that is represented by the value of the proposed RPT	Not applicable
e.	Any other information that may be relevant.	The loan will be given by Mr. Umang Kanoria from his own funds. All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice

Notice (*Contd.*)

Annexure - III

Disclosure of Related Party Transaction as per Rule 15 of the Companies (Meetings of Board and its Powers) Rules,2014

a.	Related Party's name and nature of relationship with related party	Mr. Umang Kanoria. He is the Promoter-Chairman and Managing Director of the company, who also holds 22.36% shares in the company.
b.	Particulars of the contract or arrangements	Unsecured loan of Rs.20,00,000/- (Rupees Twenty Lakhs only)
c.	Nature and term of the Arrangement or contract	The loan is for a period of 365 days at nil interest
d.	Any amount in advance paid or received for contract or arrangement	Nil
e.	methods of determining the pricing	Not applicable as no interest is charged
f.	All other factors relating to the contract or arrangement	The loan will be utilized to meet the day to day running expenses of the company and Mr. Umang Kanoria will give the loan from his own funds.

Registered Office:
Jasmine Tower, 3rd Floor
31, Shakespeare Sarani, Kolkata – 700017
CIN: L51909WB1991PLC053283
Telefax: (033) 22815217
Website: www.kanco.in
Dated: 28th May, 2026

By Order of the Board
For: **Kanco Enterprises Limited**

Manisha Gupta
Company Secretary
ICSI Membership No.: ACS47310

DIRECTORS' REPORT

Dear Members,

The Directors of the Company present their 35th Annual Report and Company's Audited Financial Statement for the year ended 31st March, 2026.

FINANCIAL PERFORMANCE

Your Company's financial performance was as follows:

Rs. in Lakhs

Particulars	31st March 2026	31st March 2025
Profit before Interest, Depreciation, Exceptional Items and Tax	216.72	(18.50)
Less: Interest		-
Profit before Depreciation, Exceptional Items and Tax	216.72	(18.50)
Less: Depreciation	1.12	1.12
Profit before Exceptional Items and Tax	215.60	(19.62)
Exceptional Items	–	–
Profit before Tax	215.60	(19.62)
Less: Provision for Tax	–	–
Profit / (Loss) After taxation	215.60	(19.62)
Balance Brought Forward from last Account	(4247.55)	(4227.94)
Balance Carried to Balance Sheet	(4031.95)	(4247.55)

Results of Operations and the State of the Company's Affairs

The Company was forced to suspend manufacturing operations from 30th September, 2015 in view of large-scale resignations of staff and workmen at the Company's factory situated at "Kanco Overseas" Village: Walthera, Taluka: Dholka, Ahmedabad – 387810. Due to further deterioration in the industry scenario since then it has not been possible to revive operations.

The Company has reported a net profit of Rs. 215.60 Lakhs.

In the best interest of the stakeholders, the Board of Directors of the Company, at their meeting held on 7th April, 2018 had decided to sell / transfer / dispose of its textile unit either in whole or in part, comprising of all tangible assets, accessories or any item or parts directly or indirectly related with it in whole or in part pertaining to the said unit on an "as is where is" basis and the same was approved by the members of the Company at the extraordinary general meeting held on 16th May, 2018. The Company had sold the entire Land & Building at Walthera and disposed of its plant & machinery in the year under review. The net proceeds from the sale of the Textile Unit were utilized to repay the unsecured lenders, from whom money was borrowed for making payment to the secured lenders.

Finance

During the year under review, the short-term borrowings of the Company stand at Rs.108.92 Lakhs as on 31st March 2026.

Dividend

The Directors of your Company do not recommend any dividend for the year under review.

Transfer to Reserves

During the year under review, no amount was transferred to Reserves.

Share Capital

As on 31st March, 2026, the issued, subscribed and paid-up share capital of your Company stood at Rs. 17,93,03,740/- During the year under review, the Company has not issued any shares or any other securities

Directors' Report (*Contd.*)

Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2026 is available on the Company's website on https://kanco.in/pdf/2026-2027/Annual%20Return%20for%20the%20year%20ended %20 31st%20March,%202026.pdf.

Directors

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Sanjay Kumar Chaurasia (DIN: 08453443), Non-Executive Non-Independent Director retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for reappointment.

During the year under review, Mr. Umang Kanoria, holding (DIN: 00081108) was reappointed as the Managing Director of the Company for a period of 3(three) years with effect from 1st January, 2026.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Varsha Gupta (DIN: 09047421) being eligible has offered herself for reappointment as an Independent Director for the further period of 5(five) years at the ensuing Annual General Meeting.

The Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 read with rules related thereto and Regulations 16(1)(b) and 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Directors of the Company have confirmed that they have complied with the Company's Code of Conduct. In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulations 16(1)(b) and 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Separate meeting of the Independent Directors was held once during the year under report on 09.02.2026.

Board Evaluation

In accordance with the provisions of the Act and the Listing Regulations, the Company has conducted the Annual Performance Evaluation process, evaluating the performance of the Board, the Committees of Board and the individual directors including Chairman. The Board of Directors has evaluated the performance of Independent Directors during the year 2025-26 and expressed their satisfaction with the evaluation process.

Independent Directors, in their separate meeting reviewed the performance of the Non-Independent Directors and the Board as a whole and also reviewed the performance of the Chairman after taking into account the views of all the Directors. The outcome of this performance evaluation was placed before the meetings of the Nomination and Remuneration Committee and Independent Directors for the consideration of the members. The committee expressed overall satisfaction on the performance of the Independent Directors, Non-Independent Directors, Chairman and the Board as a whole.

Policy on Directors' Appointment, Remuneration etc

Pursuant to Section 178(3) of the Companies Act, 2013 Nomination and Remuneration Committee formulated the criteria for identification and selection of the suitable candidates for various positions in senior management and also candidates who are qualified to be appointed as Director on the Board of the Company. The Committee also recommended a policy relating to the remuneration for the directors, key managerial personnel and other senior management personnel and a process by which the performance of the directors could be evaluated and the details of this policy are given in the Corporate Governance Report. The policy can be viewed at http://kanco.in/pdf/Codes_Policies/Nomiantion%20and%20 Remuneration%20Policy.pdf

Key Managerial Personnel

The following persons are the Key Managerial Personnel (KMP) of the Company in compliance with the provisions of Section 203 of the Companies Act, 2013:

a) Mr. Umang Kanoria (DIN:00081108), Chairman and Managing Director

b) Mrs. Manisha Gupta, Company Secretary & Compliance Officer

c) Mr. Madanlal Sharma, Chief Financial Officer

Directors' Report (*Contd.*)

Number of Meetings of the Board

4(Four) meetings of the Board of Directors were held during the year under review.

Audit Committee

The Audit Committee comprises of Independent Directors namely Ms. Varsha Gupta (Chairperson) and Mr. Gourav Saraf and Mr. Sanjay Kumar Chaurasia, Non-Executive Non-Independent Director. All the recommendations made by the Audit Committee were accepted by the Board.

Other Committees

The Company has various other committees, viz, Nomination and Remuneration Committee, Finance and Investment Committee and Stakeholder Relationship Committee in compliance with the provisions of the Companies Act, 2013 read with rules related thereto and SEBI Listing Regulations. The detail of such committees are given in the segment of Corporate Governance Report.

Directors' Responsibility Statement

The Directors hereby confirms that

a) in the preparation of the Annual Accounts for the year ended 31st March, 2026, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

b) they had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2026 and of the loss of the Company for the year ended on that date;

c) they had 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;

d) they had not prepared the annual accounts on a going concern basis;

e) they had laid down internal financial control to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Statutory Auditors

The Members of the Company at the Annual General Meeting held on 12th August, 2024 approved the appointment of M/s Jain & Co, Chartered Accountants (Registration No. 302023E) as the Statutory Auditors of the Company for a period of five years commencing from the conclusion of the 33rd AGM till the conclusion of the 38th AGM. The Company has received the consent and eligibility certificate from M/s Jain & Co, stating that they are not disqualified within the meaning of Section 141 of the Companies Act 2013. They have also confirmed that they hold a valid peer review certificate as prescribed under regulation 33(1) (d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details relating to fees paid to the Statutory Auditors are given in the Note No.15 of the Financial Statements.

Statutory Auditor's Report

The Auditors' have qualified their Report and the explanation in this regard forms part of the Directors' Report. No frauds have been reported by the Statutory Auditors during the Financial Year 2025-2026 pursuant to the provisions of Section 143(12) of the Act.

The Statement on Impact of Audit Qualification as stipulated in Regulation 33(3) (d) is annexed herewith marked as Annexure A to this report.

Directors' Report (*Contd.*)

Qualified Opinion

The Company did not provide not provided interest on unsecured inter-corporate loan of Rs.9612 thousands 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. 943.61 thousand (P.Y. Rs. 872.19 thousand).

The Company has shut down its operation in September, 2015. The proceeds out of land and building at Walthera and Machineries was 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 interest on unsecured loans.

Secretarial Auditor & Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors and the Members of the Company had appointed M/s. LABH & LABH Associates, Company Secretaries (FIRM Registration No.: P2025WB105500) to undertake the Secretarial Audit of the Company for the Financial Year 2025-26 to 2029-30.

The Report of Secretarial Audit in form MR-3 in accordance to Section 204 of Companies Act, 2013 and Secretarial Compliance Report in accordance with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2026 is annexed herewith and marked as Annexure B to this Report.

There are no audit qualifications, reservations or any adverse remark in the said Secretarial Audit Report.

Cost Audit

Manufacturing activities of the Company are under suspension since 30th September, 2015. The Company has therefore neither appointed a Cost Auditor to audit the cost records nor maintained cost records during the year under review in accordance with the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.

Secretarial Standards

The Directors state that applicable Secretarial Standards, i.e. SS-1 (Meetings of the Board of Directors), SS-2 (General Meetings) and SS-4 (Report of the Board of Directors) respectively, have been duly followed by the Company.

Particulars of Loans, Guarantees or Investments by Company

The Company has not made any investments. The Company has neither given any loan & guarantee nor provided any security during the year under review.

Contracts and Arrangements with Related Parties

All Related Party Transactions that were entered into during the Financial Year under review were on an arm's length basis, and in the ordinary course of business and are in compliance with the applicable provisions of the Act and the Listing Regulations. All Related Party Transactions are placed before the Audit Committee for prior approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature or when the need for these transactions cannot be foreseen in advance. The Shareholders' approval under Regulation 23 of the Listing Regulations is being sought for the Material Related Party Transaction to be entered during FY 2026-2027 the details of which is given in the Notice of AGM. Details of transactions with Related Parties as required under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure - C in Form AOC - 2 and forms part of this Report.

The Company has formulated a policy on Related Party Transactions. The link of the policy is https://kanco.in/pdf/Codes_Policies/Policy%20on%20dealing%20with%20realted%20party%20transactions%20and%20materiality%20of%20related%20party%20transactions.pdf.

Directors' Report (*Contd.*)

Material Changes and commitments occurred between the end of the Financial Year under Review and the date of this report.

No material changes and commitments have occurred between the end of the financial year under review and the date of this report.

Cases registered with NCLT under the provisions of Insolvency and Bankruptcy Code, 2016, either by the Company or against the Company

During the year under review, no cases has been registered with NCLT under the provisions of Insolvency and Bankruptcy Code, 2016, either by the Company or against the Company.

One-time settlement with Banks or Financial Institutions, if any

During the period under review, no such settlement took place.

Changes in the nature of business

During the year under review, there was no change in the nature of the business of the Company.

Subsidiaries, Joint Ventures and Associate Companies

The Company has no Subsidiary, Joint Ventures and Associate Companies.

Corporate Social Responsibility

The Company does not fall within purview of Section 135 of the Companies Act, 2013.

Disclosure about receipt of Commission

In terms of Section 197(14) of the Act and rules made there under, during the year under review, no director has received any commission from the Company thus the said provision is not applicable to the Company.

Details of establishment of Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders.

The Company has a Code of Conduct for regulating, Monitoring and Reporting of Trading by Insiders ("PIT Policy") for connected persons, designated persons and the insiders (collectively the "Insiders") as defined under the SEBI (Prohibition of Insider Trading) Regulations, 2015("PIT Regulations"). The Policy provide adequate safeguard against victimization.

The aforementioned policy is available on the website of the Company at https://kanco.in/code_policies.html.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

A statement pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 on conservation of energy, technology absorption, foreign exchange earnings and outgo is annexed herewith marked as Annexure D to this report.

Management Discussion and Analysis

Management Discussion and Analysis Report for the period under review, as stipulated under Regulation 34(3) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed herewith marked as Annexure E to this report.

Corporate Governance

The report on Corporate Governance in accordance with Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 approved by the Board together with a Certificate from Mr. Asit Kumar Labh, Partner of M/s. LABH & LABH Associates, Company Secretaries, regarding compliance with the conditions of Corporate Governance is annexed herewith marked as Annexure F to this report.

Directors' Report (*Contd.*)

Risk Management

As per requirement of Section 134(3) (n) of the Companies Act, 2013 the Board of Directors in its meeting held on 9th May, 2014 had approved the Risk Management Policy. The Board had in its policy had envisaged various elements of risks which may threaten the existence of the Company. Risk evaluation and management is an ongoing process within the Company. The Risk Management Policy is reviewed by the Board every year.

The Risk Management Policy of the Company is available on the website of the Company at https://kanco.in/pdf/Codes_Policies/Risk%20Management%20Policy.pdf

Deposits

During the period under review, the Company has not accepted any deposits, within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

Material Orders Passed by the Regulators /Courts/ Tribunals

There are no significant and material orders passed by the regulators or courts or tribunals.

Internal Controls

The Company has an effective Internal Control system with reference to Financial Statements. The Audit Committee of the Board of Directors reviews the adequacy and effectiveness of the Internal Control System. The Company's Internal Control System is commensurate with its size, scale and complexities of its operations.

Vigil Mechanism/Whistle Blower

The Company has a Vigil Mechanism/Whistle Blower policy to report genuine concerns and grievances. Protected disclosures can be made by a whistle blower through an email or dedicated telephone line or a letter to the Chairman of the Audit Committee. The policy can be viewed at http://kanco.in/pdf/Codes_Policies/VIGIL%20MECHANISM _ WHISTLE%20BLOWER.PDF. During the year under review no cases were reported under Vigil Mechanism / Whistle Blower.

Stock Exchange

The Company's equity shares are listed at the Calcutta Stock Exchange Limited (Scrip Code-21381). Listing Fees for the financial year 2026-2027 has been paid.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has a policy for prevention of sexual harassment of women at workplace and also complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Number of complaints received and resolved in relation to Sexual Harassment of Women at Workplace (Prevention, Protection, and Redressal) Act, 2013: during the year under review and their breakup is as under:

(a) number of complaints of sexual harassment received in the year: Nil

(b) number of complaints disposed of during the year: Nil

(c) Number of cases pending for more than ninety days: Nil

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, as amended

Sl. No.	Particulars	Details
(i)	The ratio of the remuneration of each director to the median remuneration of the company for the financial year	Mr. Umang Kanoria a - MD – N.A. Ms. Varsha Gupta - N.A. Mr. Sanjay Kumar Chaurasia - N.A. Mr. Gourav Saraf – N.A. #

Directors' Report (*Contd.*)

Sl. No.	Particulars	Details
(ii)	The percentage increase in remuneration of each Director, Company Secretary and Chief Financial Officer	**Directors:** Mr. Umang Kanoria- MD - N.A. Ms. Varsha Gupta – N.A. Mr. Sanjay Kumar Chaurasia - N.A. Mr. Gourav Saraf – N.A. **Key Managerial Personnel** Mrs. Manish Gupta - CS – N.A. Mr. Madanlal Sharma - CFO – N.A.
(iii)	The percentage increase in the median remuneration of employees in the financial year	N.A.
(iv)	The number of permanent employees on the rolls of the Company	3
(v)	Ratio of remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Not applicable as there are no employees receiving higher remuneration than the highest paid director.
(vi)	Affirmation that the remuneration is as per the remuneration policy of the Company	Remuneration paid during the year ended 31st March, 2026 is as per the Remuneration Policy of the Company

a. No salary is paid to Mr. Umang Kanoria.

b. The number of permanent employees on the rolls of the Company is 3 and only 2 employees are paid Salary. It's therefore not practical to derive the median and calculate ratio of remuneration of KMP to median.

Non-Executive /Independent Directors have been paid only sitting fees for meetings attended by them and hence the remuneration paid to them is not comparable to the median remuneration.

Particulars of Employees

The Company has no employee who were in receipt of remuneration of more than Rs.1.02 Crores per annum during the year ended 31st March, 2026 or of more than Rs. 8.50 Lakhs per month during any part thereof. The disclosures pertaining to remuneration and other particulars as prescribed under the provisions of Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are annexed herewith marked as Annexure G to this report.

Disclosure under the Maternity Benefit Act,1961

The company has complied with the provisions relating to the Maternity Benefits Act, 1961

Acknowledgement

Your directors place on record their appreciation for the cooperation and support extended by the Employees, Banks/ Financial Institutions and all other business partners.

For and on behalf of the Board of Director

U. Kanoria
Chairman & Managing Director
DIN: 00081108

Place: Kolkata
Dated: 28th May, 2026

Directors' Report (*Contd.*)

Annexure A

(Rs. in '000)

Sl No.		Particulars	Audited Figures (as reported before adjusting for qualifications (Rs. in '000)	Audited Figures (audited figures after adjusting for qualifications) (Rs. in '000)
I	**Statement on Impact of Audit Qualifications for the year ended on 31st March, 2026**			
	1.	Turnover/Total Income	23542.77	23542.77
	2.	Total Expenditure	1982.16	2925.77
	3.	Net Profit/(Loss)	21560.61	20617.00
	4.	Earnings Per Share	1.20	1.15
	5.	Total Assets	8423.31	(11986.26)
	6.	Total Liabilities	18661.45	102698.35
	7.	Net Worth	(10238.14)	(114684.61)
II	**Audit Qualification (each audit qualification separately):**			
	1.	a. Details of Audit Qualification: not provided interest on unsecured inter-corporate loan of Rs.9612.00 thousand 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. 943.61 thousand (P.Y. Rs. 872.19 thousand)		
		b. Type of Audit Qualification: Qualified Opinion		
		c. Frequency of qualification: Appeared earlier in Annual Report for the year ended 31st March, 2017, 31st March, 2018, 31st March, 2019, 31st March, 2020, 31st March, 2021, 31st March, 2022, 31st March, 2023, 31ST March,2024 and 31st March,2025		
		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 Walthera 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:**			
	1.	• CEO/ Managing Director – U. Kanoria (DIN:00081108)		
		• CFO – Madanlal Sharma		
		• Audit Committee Chairperson – Varsha Gupta (DIN: 09047421)		
		• Statutory Auditor For Jain & Co. Chartered Accountants Firm Registration No. 302023E CA. M.K. Jain Partner Membership No. 055048		
		Date: 28th May, 2026		

Directors' Report (*Contd.*)

Annexure B

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2026

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members,
Kanco Enterprises Limited
'Jasmine Tower'
31, Shakespeare Sarani, 3rd Floor, Kolkata – 700 017
West Bengal

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kanco Enterprises Limited** having its Registered Office at 'Jasmine Tower', 31, Shakespeare Sarani, 3rd Floor, Kolkata – 700 017, West Bengal (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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 covering the financial year ended 31.03.2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

Auditors' Responsibility

Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to us during the said audit and also based on the information furnished to us by the officers' and the agents of the Company during the said audit.

We have followed the audit practices and processes as were appropriate to the best of our understanding 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.

We have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Company during the period under scrutiny. We have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of the Board, respective committees of the Board, of the members of the Company and of other authorities as per the provisions of various statutes as mentioned hereinafter.

Wherever required we have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of compliance procedures on test basis.

Our report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

We report that, we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2026 according to the provisions of (as amended):

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) Secretarial Standards as issued by The Institute of Company Secretaries of India;

(iii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;

Directors' Report (*Contd.*)

(iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(v) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (as amended):

  (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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;

  (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client.

We further report that, having regard to the compliance system prevailing in the Company, our examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to us by the Company and its management and to the best of our judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of our knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:

(i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;

(ii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

(iii) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(iv) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(v) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

We further report that:

(i) 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 period under review were carried out in compliance with the provisions of the Act.

(ii) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and 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.

(iii) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

(iv) 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 year under review:

(i) The Company's operation has been shut down since 30.09.2015.

(ii) The Company has settled the dues and claims with the Banks through One Time Settlement and the shares of the Company pledged for the same has been released during F.Y. 2019-20. However, as informed by the management, the shares are still showing as pledged in the shareholding pattern as on 31st March, 2026, submitted with the Stock Exchange due to non-updation of data by the respective Bank.

(iii) The Company has maintained Structured Digital Database (SDD) in excel format which restricts implementation of all the provisions of the Regulations 3(5) and 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.

Directors' Report (*Contd.*)

(iv) The Company is in the process of identifying promoter and promoter group entities having nil shareholding in its shareholding pattern in terms of Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/35 dated March 20, 2025 issued by the Securities and Exchange Board of India.

This report is to be read with our letter of even date which is annexed as **Annexure – A**, which forms an integral part of this report.

For: **Labh & Labh Associates**
Company Secretary

(**Asit Kumar Labh)**
Partner
ACS : 32891 / CP No. : 14664
UIN : P2025WB105500
PRCN : 7215/2025
UDIN: A032891H000515221

Place: Kolkata
Dated: 28th May, 2026

Annexure – A

To
The Members,
Kanco Enterprises Limited

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. Wherever 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 is 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.

For: **Labh & Labh Associates**
Company Secretary

(**Asit Kumar Labh)**
Partner
ACS : 32891 / CP No. : 14664
UIN : P2025WB105500
PRCN : 7215/2025
UDIN: A032891H000515221

Place: Kolkata
Dated: 28th May, 2026

Directors' Report (*Contd.*)

Annexure C

Form No. AOC – 2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 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 fourth proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

Kanco Enterprises Limited (the "Company") has not entered into any contract / arrangement / transaction with its related parties which are not in ordinary course of business or at arm's length during the Financial Year 2025-2026. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act, 2013 and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

(a) Name(s) of the related party and nature of relationship: Not Applicable

(b) Nature of contracts / arrangements / transactions: Not Applicable

(c) Duration of the contracts / arrangements / transactions: Not Applicable

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable

(e) Justification for entering into such contracts or arrangements or transactions: Not Applicable

(f) Date(s) of approval by the Board: Not Applicable

(g) Amount paid as advances, if any: Not Applicable

(h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis:

(a) Name(s) of the related party and nature of relationship: Mr. Umang Kanoria, Chairman & Managing Director

(b) Nature of contracts / arrangements / transactions: Loan received/repaid from Director

(c) Duration of the contracts / arrangements / transactions: During FY 2025-26

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Loan received: Rs. 1,605 thousands; Loan repaid: Rs. 325 thousands

(e) Date(s) of approval by Board, if any: This was approved by the audit committee and noted by the board of directors in their meeting held on 30th May, 2025

(f) Amount paid as advances, if any: NIL

For and on behalf of the Board of Director

U. Kanoria
Chairman & Managing Director
DIN: 00081108

Place: Kolkata
Dated: 28th May, 2026

Directors' Report (*Contd.*)

Annexure D

A statement pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 on conservation of energy, technology absorption, foreign exchange earning & outgoings:

a. **Conservation of energy–**

(i) the steps taken for conservation of energy: -

The Company has suspended operations since September, 2015 and therefore no step for conservation of energy has been undertaken during the year.

(ii) the steps taken by the company for utilising alternate sources of energy: - Nil

(iii) the capital investment on energy conservation equipment: - Nil

b. **Technology absorption–**

(i) the efforts made towards technology absorption - Not Applicable

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution - Not Applicable

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - Not Applicable

(iv) the expenditure incurred on Research and Development: - Nil

c. **Foreign exchange earnings and Outgo–**

Particulars	Rs. in Lakhs
1. Foreign Exchange earned in terms of Actual Inflows	Nil
2. Foreign Exchange Outgo	Nil

For and on behalf of the Board of Director

U. Kanoria
Chairman & Managing Director
DIN: 00081108

Place: Kolkata
Dated: 28th May, 2026

Directors' Report (*Contd.*)

Annexure E

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

a) **Industry structure and developments:** India's cotton yarn manufacturing sector is experiencing a rebound, with projected revenue growth of 7% to 9%. This recovery is driven by robust export demand from China, stable domestic consumption, and strong operational efficiencies, though tightening domestic raw cotton supplies remain a key challenge.

b) **Opportunities & Threats:** India is also the second largest producer of cotton, accounting approximately 23-25 percent of the global cotton crop. India is the second-largest country in terms of enjoying yarn-spinning capacity in the world after China, accounting for roughly 20 percent of the world's spindle capacity. The Indian textile and apparel industry contributes about 7% to industry output in value terms and approximately 2.3% to the country's GDP. Further, the industry contributes 13% to the manufacturing and 12% to the export earnings of the country. The availability of cotton along with huge manufacturing capacity of all kinds of cotton yarn enable it to produce a large exportable surplus.

China used to be a major importer of Indian yarn, India is now facing a big threat from cotton yarn produced in Vietnam. MSP (minimum support price) of Indian cotton has been continuously rising. The yarn prices do not rise commensurately with cotton prices leading to pressure on margins for yarn manufacturers.

Slowdown in demand growth in export market is leading to low-capacity utilization in spinning industry. Low-capacity utilization, high raw material prices continue to remain the major threats for the industry.

c) **Segment analysis and review:**

Particulars	Units	April 2025 to March 2026	April 2024 to March 2025	%
Change	Kgs	Nil	Nil	N.A.
Sale of Cotton Yarn	Kgs	Nil	Nil	N.A.
Average Realisation	Rs. /Kg.	N.A.	N.A.	N.A.
Average Cost of Cotton	Rs. /Ton	N.A.	N.A.	N.A.
Profit/(Loss)before Interest but after Depreciation	Rs. in Lacs	215.61	(19.62)	(1198.93)

d) **Outlook:** The outlook for cotton yarn spinning industry looks positive with cotton yarn exports forecast to grow by 9% to 11%. Demand is surging due to tight cotton supplies in China and US trade policies driving international buyers toward Indian spinners. Operating margins, after witnessing a recovery last fiscal, are expected to see further uptick. The primary driver for the revenue uptick in fiscal 2027 will be the rebound in yarn exports to China. However, Domestic cotton acreage has shrunk by up to 20% from its 2021 peak due to uneven monsoons and water shortages. Output is projected to fall to roughly 29.2 million bales, resulting in a domestic supply deficit. A duty waiver on imported cotton expired, returning the import duty to 11%. This has increased raw material costs, although temporary Quality Control Order (QCO) relaxations for man-made fibres provide some relief.

e) **Risks & Concerns:** Under utilised excess capacity coupled with unbridled capacity creation purely for the sake of availing incentives is proving counterproductive. Addition of new capacity is rendering existing capacity redundant. Stagnant domestic consumption, negative export growth, high input costs and shortage of skilled workforce are common concerns.

f) **Internal control systems and their adequacy:** The Company has suspended operations since September 2015. The Company has adequate system of internal controls and necessary checks and balances are introduced/ strengthened so as to ensure: -

a) that its assets are safeguarded and protected against losses.

b) that all transactions are authorised, recorded and reported properly.

c) that accounting records are properly maintained and its financial statements are reliable.

The significant findings, if any, are placed before the Audit Committee of the Board and corrective measures are

Directors' Report (*Contd.*)

recommended for implementation. The Company appoints external firms of Auditors to conduct internal audit and their reports are reviewed by the management and Audit Committee.

g) Discussion on financial performance with respect to operational performance:

The Company did not have any operations during the year. The profit after interest and depreciation was Rs. 215.61 lakhs as compared to profit of Rs. (19.62) lakhs for the previous period.

h) Information regarding Human Resources/Industrial Relations: Industrial relations at the Company remain cordial. Manpower employed with the Company as at 31st March, 2026 was 3 compared to 3 as on 31st March, 2025.

i) Details of Significant Changes in Key Financial Ratios

Sl.	Key Financial Ratios	2025-26	2024-25	Difference
1.	Debtors Turnover	–	–	N.A.
2.	Inventory Turnover	–	–	N.A.
3.	Interest Coverage Ratio	–	–	N.A.
4.	Current Ratio	0.22	0.31	(29) %
5.	Debt Equity Ratio	(1.09)	(0.30)	262%
6.	Operating Profit Margin Ratio	–	–	N.A.
7.	Net Profit Margin Ratio	0.92	N.A.	N.A.

Notes on significant changes in financial ratios, where change is more than 25%:

During the current year, Security Deposit and Advance received from Fixed Assets Buyer were adjusted against sale proceeds of machinery held for sale resulting in reduction in current assets and liabilities.

j) Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof:

Key Financial Ratios	2025-26	2024-25	Difference
Return on Net Worth	(2.11)	0.06	(3616) %

During the current year, the company sold the machinery held for sale and store inventory, which resulted in increase in profits compared to previous year

Cautionary Statement

The statements in this report describing the company's policy, strategy, projections, estimation and expectations may appear forward looking statements within the meaning of applicable securities laws or regulations. These statements are based on certain assumptions and expectations of future events and the actual results could materially differ from those expressly mentioned in this Report or implied for various factors including those mentioned in the paragraph "Risks and Concerns" herein above and subsequent developments, information or events.

For and on behalf of the Board of Director

U. Kanoria
Chairman & Managing Director
DIN: 00081108

Place: Kolkata
Dated: 28th May, 2026

Directors' Report (*Contd.*)

Annexure F

REPORT ON CORPORATE GOVERNANCE

1. Corporate Governance philosophy

The Company's corporate culture vests in the strictest standards of integrity and transparency by adhering to the policies laid down by the Board of Directors comprising of Industrialists and Professionals. The corporate governance is based on the two most important principles of team-work and professionalism where the Shareholders, Customers, Financial Institutions/Banks, Employees and other Stakeholders are the main constituents of the 'team'. The Company has adopted a Code of Conduct for the Independent Directors, Senior Management and other Employees of the Company and a Vigil Mechanism/Whistle Blower Policy is in place for the employees of the Company under the Chairmanship of the Audit Committee Chairman.

Kanco Enterprises Limited's business objective is to manufacture and market the products where quality deservingly receives all the attention on a consistent basis with the ultimate aim of bringing full satisfaction to all concerned.

2. Board of Directors

The composition and category of Directors, the number of Directorships and Committee Chairmanships / Memberships held by them and Directorships held by them in other listed entities as on March 31, 2026:

Name of Director	Category of Director	Directorships^ in other Public Companies (excluding Kanco Enterprises Limited)	Number of Committee# Positions held in Other Public Companies (excluding Kanco Enterprises Limited)		Directorship in other listed Companies (category of directorships) as on March 31, 2026		Attendance at previous AGM on	No. of Board Meetings attended
			Member	Chairman	Name of Listed Entity	Category of Directorship		
Mr. Umang Kanoria DIN:00081108	Promoter-Chairman and Managing Director	7	2	–	PCBL Chemical Limited CESC Limited Kanco Tea & Industries Limited	Non-Executive Independent Director Non-Executive Independent Director Promoter-Chairman and Managing Director	Yes	4/4
Mr. Sanjay Kumar Chaurasia DIN:08453443	Non-Executive Director	–	–	–	–		Yes	4/4
Ms. Varsha Gupta DIN:09047421	Non-Executive Independent Director	–	–	–	–		Yes	4/4
Mr. Gourav Saraf DIN: 08204851	Non-Executive Independent Director	1	2	2	Veefin Soluitons Limited	Non-Executive Independent Director	Yes	4/4

^Directorship of Public Limited Companies and deemed Public Companies only.
#Chairmanship/Membership of Audit Committee & Stakeholders Relationship Committee only
None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees as specified in Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Independent Directors do not serve in more than 7 listed companies. None of the directors are related to each other.

Directors' Report (*Contd.*)

The details of Familarisation Programme imparted to Independent Directors can be viewed at https://kanco.in/pdf/Codes_Policies/Familiarisation%20Programme%20under%20Regulation%2025(7)%20of%20SEBI(LODR)Regulations,%202015.pdf

Meetings of the Board

During the year 2025-2026, the Board of Directors met 4(four) times on the following dates: 30.05.2025, 01.08.2025, 12.11.2025 and 09.02.2026.

The information to be made available to the Board of Directors as mentioned under Regulation 17(7) read with Part A of Schedule II Part A of the SEBI (LODR) was made available to the Board members.

Information about the Directors seeking re-appointment

Mr. Sanjay Kumar Chaurasia (DIN: 08453443) is retiring by rotation and being eligible offers himself for reappointment. The Board of Directors on recommendation of the Nomination and Remuneration Committee and, subject to approval of the members, had approved the reappointment of Ms. Varsha Gupta (DIN: 09047421) as an Independent Director for the further period of 5(five) years. Details of the Directors to be appointed / reappointed have been provided in the Notice of the 35th AGM of the Company.

Matrix highlighting core skills/expertise/competencies of the Board of Directors

The Board of Directors have identified the following skills required for the Company and the availability of such skills with the Board:

Skills and its description	Mr. Umang Kanoria	Ms. Varsha Gupta	Mr. Sanjay Kumar Chaurasia	Mr. Gourav Saraf
Possess positive attributes/qualities such as leadership, accumenship, experience in running industrial units and entrepreneurship	✓			
Possesses appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, corporate governance, technical operations, infrastructure or such other areas or disciplines which are relevant for the Company's business.	✓	✓	✓	✓

The Company has received declarations on the criteria of Independence as prescribed in Section 149(6) of the Companies Act, 2013, and Regulation 16 (1) (b) from all the Independent Directors of the Company as on 31st March, 2026. They have also registered themselves in the databank with the Institute of Corporate Affairs of India as an Independent Director as per Rule 6(1) of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

Based on the declarations received from the Independent Directors, the Board confirms that the Independent Directors fulfil the conditions specified in Section 149 of the Companies Act, 2013 and as mentioned under Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and that they are Independent of the Management

The Independent Directors of the Company have held a separate meeting on 9th February, 2026, without presence of Non-Independent Directors and the Management. The Meeting was attended by all the Independent Directors of the Company. No independent director has resigned during the year under report.

3. **Audit Committee**

Audit Committee of the Board of Directors consists of 3 (three) Directors namely, Ms. Varsha Gupta, Non-Executive Independent Director, Mr. Gourav Saraf, Non-Executive Independent Director and Mr. Sanjay Kumar Chaurasia, Non-Executive Non-Independent Director. All the members of the Audit Committee possess financial/accounting expertise/exposure. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 read with rules made thereunder and the provisions of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Directors' Report (*Contd.*)

The Audit Committee acts as a link between the Internal and Statutory Auditors and the Board of Directors Ms. Varsha Gupta; Non-Executive Independent Director is the Chairperson of the Audit Committee. The Company Secretary of the Company acts as the Secretary of the Committee. The Chairperson of the Committee was present at the last AGM of the Company.

Terms of Reference –

- oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment remuneration and terms of appointment of auditors of the listed entity;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion(s) in the draft audit report;
- reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the listed entity with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the listed entity, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- discussion with internal auditors of any significant findings and follow up there on;
- reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;

Directors' Report (*Contd.*)

- to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- to review the functioning of the whistle blower mechanism;
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- Reviewing the following information:
  (1) management discussion and analysis of financial condition and results of operations;
  (2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
  (3) management letters / letters of internal control weaknesses issued by the statutory auditors;
  (4) internal audit reports relating to internal control weaknesses; and
  (5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
  (6) statement of deviations:
    (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    (b) annual statement of funds utilized for purposes other than those stated in the offer document / prospectus/notice in terms of Regulation 32(5).

Attendance at and dates of Audit Committee meetings held are as follows:

Name of Directors	Attendance at the Meeting				
	08.05.2025	30.05.2025	01.08.2025	12.11.2025	09.02.2026
Ms. Varsha Gupta	Present	Present	Present	Present	Present
Mr. Gourav Saraf	Present	Present	Present	Present	Present
Mr. Sanjay Kumar Chaurasia	Present	Present	Present	Present	Present

4. **Nomination and Remuneration Committee**

Nomination and Remuneration Committee of the Board of Directors consists of the Directors namely, Ms. Varsha Gupta, Non-Executive Independent Director, Mr. Gourav Saraf, Non-Executive Independent Director and Mr. Sanjay Kumar Chaurasia, Non-Executive Non-Independent Director. Ms. Varsha Gupta, Non-Executive Independent Director is the Chairperson of the Nomination and Remuneration Committee. The Committee's constitution and terms of reference are in compliance with Section 178 of the Companies Act, 2013 read with rules made thereunder and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Chairperson of the Committee was present at the last AGM of the Company.

Terms of Reference–

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

Directors' Report (*Contd.*)

- formulation of criteria for evaluation of performance of independent director and the board of directors;
- devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- recommending to the Board, the remuneration of Managing and Whole-time Directors, including their annual increment and commission after reviewing their performance;
- recommend to the Board, all remuneration, in whatever form, payable to Senior Management;
- identify Independent Directors to be inducted into the Board from time to time and take steps to refresh the composition of the Board from time to time;
- such other matters as may be specified by the Board from time to time;

Attendance at and date of Nomination and Remuneration Committee meeting held is as follows:

Name of Directors	Attendance at the Meeting
	08.05.2025
Ms. Varsha Gupta	Present
Mr. Sanjay Kumar Chaurasia	Present
Mr. Gourav Saraf	Present

Remuneration policy of the Company is based on the need to attract the best available talent and is in line with the Industry. The Company pays sitting fees at the rate of Rs.10,000/- (Rupees Ten Thousand only) per meeting to the Non-Executive Directors for attending Meeting of the Board. No sitting fees is paid to the Non-Executive Directors for attending Committee Meetings and any other Meetings.

The total remuneration paid to the executive directors, who are promoters or members of the promoter group, during the period is in accordance with the criteria as prescribed under Regulation 17 of the SEBI (LODR) Regulations, 2015, as amended.

Remuneration of Directors for the financial year ended 31st March, 2026 and their shareholding in the Company:

Name of Directors	Sitting Fees (Rs.)	Salaries and Perquisites (Rs.)	Total (Rs.)	Service Contract / Notice Period	No. of Shares held
Mr. Umang Kanoria	–	–	–	01.01.2026 to 31.12.2028 6 months	4008929
Mr. Sanjay Kumar Chaurasia	40000	–	40000	–	–
Ms. Varsha Gupta	40000	–	40000	–	–
Mr. Gourav Saraf	40000	–	40000	–	–

Currently, the Company does not have any stock option scheme. The Company has not issued any convertible instrument.

No Non-Executive Director has been paid in excess of fifty percent of the total amount paid to all the Non-Executive Directors of the Company.

The Policy on Nomination, Remuneration and Performance Evaluation of Directors as framed by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company is as follows:

Directors' Report (*Contd.*)

I. Criteria for selection of members on the board of directors and senior management

The Committee has adopted the following criteria for selection of members on the Board of the Company and also candidates eligible to be appointed in the senior management of the Company.

A) Criteria for Selection of Directors

Before making any recommendation to the Board for appointment of any director, the Committee shall ensure that the candidate:

a) possess positive attributes/qualities such as leadership, accumenship, and experience in running industrial units, entrepreneurship or such other attributes which in the opinion of the Committee the candidate possess, and are in the interest of the Company.

b) is not disqualified under Sections 164 and 167 of the Companies Act, 2013

c) complies with the conditions of being independent as stipulated under the Companies Act, 2013 and Listing Agreement entered into with Stock Exchanges in case of appointment as an independent director.

d) possesses appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, corporate governance, technical operations, infrastructure or such other areas or disciplines which are relevant for the Company's business.

B) Criteria for selection of Senior Management Personnel

The term Senior Management shall have the same meaning as provided under the explanation to Section

178 of the Companies Act, 2013. The Committee shall, before making any recommendation to the Board for appointment should ensure that the candidate has the following attributes:

a) rich experience in any of the areas viz. banking, financial management, legal, sales, marketing, administration, corporate governance, technical operations, or such other areas or disciplines which in the opinion of the management and committee are relevant for the Company's business.

b) possesses qualities that demonstrate leadership skills, decision making skills, effective communication, hard work, commitment and such other attributes which in the opinion of the Committee the candidate possess and are in the interest of the Company.

If the Committee after due deliberation finds that the candidate meets the above criteria for appointment (as director on the Board or in senior management), then it shall make its recommendation to the Board.

Any amendment to the above criteria for directors and senior management shall be subject to the prior approval of the Committee and any such amendment shall be informed to the Board of Directors.

II. Remuneration policy for directors, senior management and Key managerial Personnel

A) Remuneration of Managing Director, Whole Time Director and Manager:

The Committee while considering the remuneration of the Chairman & Managing Director, the Whole Time Director and Manager (wherein there is no Managing Director), may take into consideration the performance, the experience of the person, his/her background, job-profile and suitability, his/her past remuneration, the comparative remuneration profile in the industry, size of the company, responsibilities shouldered by the Managing Director / Whole Time Director etc., provided that any remuneration considered by the Committee shall be in accordance and within the limits stipulated under the Companies Act, 2013.

B) Remuneration of Non – Executive Director (NED)

a) The remuneration to the NEDs may be restricted to the sitting fees being paid for attendance of the meeting of the Board of the Directors

b) The Independent Directors of the Company shall be entitled to remuneration restricted to the sitting fees being paid for attendance of the meeting of the Board of the Directors provided that any sitting fees paid to the Independent Director shall not be less than the sitting fees paid to non-executive directors.

c) Independent Directors shall not be eligible for stock options of the Company, if any.

Directors' Report (*Contd.*)

C) Remuneration of Senior Management Personnel and KMPs

The Remuneration of the Senior Management Personnel and KMPs shall be in accordance with the policy of the Company which is applicable to the employees. The Committee may consider the remuneration of a Senior Management Personnel keeping in view of the achieving yearly targets, Performance of Business/ Functions under his control, contribution for long term & strategic growth of the Company.

III. Evaluation of performance of Directors

A) Evaluation of the performance of Managing Director / Whole Time Director

The performance of the Managing Director/Whole Time Director of the Company may be carried out taking into consideration the performance of the Company vis-à-vis the budgets as well as performance of its competitors, emphasis on achieving top line and bottom-line targets, influencing the executives to achieve specific and predetermined goals during the financial year, looking after the interest of Shareholders and ensuring sustained long-term goals.

B) Evaluation of the performance of Non-Executive Directors and Independent Directors (NEDs and IDs)

The Committee while evaluating the performance of the NEDs and IDs may take into consideration various factors as mentioned below:

a) Attendance at Meetings – attendance at Board Meetings, AGMs, Committee Meetings

b) Other Directorships held by the NED – in listed or unlisted companies

c) Other companies in which NED is a Chairperson

d) Participation at Board/Committee Meetings

e) Input in strategy decisions

f) Review of Financial Statements, risks and business performance

g) Time devoted towards discussion with Management

h) Review of Minutes – Board Minutes, Committee Meeting Minutes and AGM Minutes.

The policy can be viewed at http://kanco.in/pdf/Nomiantion%20and%20Remuneration%20Policy.pdf

Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the Listing Regulations, the Annual Performance Evaluation was carried out for the Financial Year 2024-25 by the Board in respect of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders' Relationship, Finance and Investment Committee and Share Transfer Committee Committees. A structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance was prepared. The Performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

5. Stakeholders Relationship Committee

Stakeholders Relationship Committee of the Board consists of the Directors Ms. Varsha Gupta, Non-Executive Independent Director, Mr. Sanjay Kumar Chaurasia, Non-Executive Non-Independent Director and Mr. Umang Kanoria, Chairman & Managing Director. Ms. Varsha Gupta, Non-Executive Independent Director is the Chairperson of the Stakeholders Relationship Committee. The Committee's constitution and terms of reference are in compliance with Section 178 of the Companies Act, 2013 read with rules made thereunder and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Chairperson of the Committee was present at the last AGM of the Company.

Directors' Report (*Contd.*)

Terms of Reference–

The terms of reference of the Stakeholders Relationship Committee (SRC) covers the areas mentioned in Section 178 (5) of the Act and Regulation 20 read with Part D (B) of Schedule II to the Listing Regulations. The terms of reference of the SRC, inter-alia are as follows:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Approve issue of duplicate share certificates either at meetings or through circular resolution.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent
- Frame guidelines for waiver of documents/ requirements prescribed in cases of:
  a) Transmission of shares
  b) Issue of duplicate share certificates
  c) Recording of updation of signatures by shareholders
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the company.

Attendance at and date of Stakeholders Relationship Committee meeting held is as follows:

Name of Directors	Attendance at the Meeting
	08.05.2025
Ms. Varsha Gupta	Present
Mr. Umang Kanoria	Present
Mr. Sanjay Kumar Chaurasia	Present

During the year 2025-2026, the Company has received NIL complaints from the Shareholders. The status of Investor Complaints with the regulatory authorities is as follows:

Sl No.	Investor Complaints	Number
1.	Investor Complaints received during the year	Nil
2.	Investor Complaints resolved till 31st March 2026	N.A.
3.	Investor Complaints not solved to the satisfaction of the members	N.A.
4.	Complaints pending as at 31st March, 2026	N.A.

The Board of Directors in the meeting held on 30th May, 2025 dissolved the Share Transfer Committee of the Board as the scope of work of aforesaid committee will be carried out by Stakeholders' Relationship Committee.

Mrs. Manisha Gupta, Company Secretary is the Compliance Officer of the Company. All valid requests for transmission / transposition / demat of shares received during the financial year ended 31st March, 2026 have been acted upon by the Company and no such requests are pending.

6. Finance and Investment Committee

The Board of Directors has delegated powers specified under Section 179(3)(d), Section 179(3)(e) and Section 179(3)(f) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 with regard to borrowing, investing the fund and granting loans or giving guarantee or providing security in respect of loans The Committee comprises of the following Directors viz, Mr. Umang Kanoria, Chairman & Managing Director, Mrs. Varsha Gupta, Non-Executive Independent Director and Mr. Sanjay Kumar Chaurasia, Non-Executive Non-Independent Director.

Directors' Report (*Contd.*)

Attendance at and date of Finance and Investment Committee meetings held are as follows:

Name of Directors	Attendance at the Meeting
	08.05.2025
Mr. Umang Kanoria	Present
Mr. Sanjay Kumar Chaurasia	Present
Ms. Varsha Gupta	Present

7. **Particulars of Senior Management Personnel**

Name of Senior Management Personnel	Designation	Changes during the financial year	
		Appointment	Cessation
Mr. Madan Lal Sharma	Chief Financial Officer	–	
Mrs. Manisha Gupta	Company Secretary		

9. **General Body Meetings:**

a) **Location, Venue, Dates and time of last three Annual General Meetings (AGM) held: –**

Year	Kind of Meeting	Venue	Date	Time	No. of special resolutions passed
April 2024 – March 2025	34th Annual General Meeting	Kanco Enterprises Limited, Jasmine Tower, 3rd Floor, 31, Shakespeare Sarani, Kolkata – 700017	19th August, 2025	11:30 a.m.	1**
April 2023 – March 2024	33rd Annual General Meeting	Kanco Enterprises Limited, Jasmine Tower, 3rd Floor, 31, Shakespeare Sarani, Kolkata – 700017	12th August, 2024	11:00 a.m.	1*
April 2022 – March 2023	32nd Annual General Meeting	Kanco Enterprises Limited, Jasmine Tower, 3rd Floor, 31, Shakespeare Sarani, Kolkata – 700017	9th August, 2023	11:30 a.m.	–

* Appointment of Mr. Gourav Saraf as Non-Executive Independent Director of the Company for a period of 5 years with effect from 30.05.2024.

** Appointment of Mr. Umang Kanoria as Managing Director of the Company for a period of 3 years with effect from 01.01.2026

No Extra-Ordinary General Meeting of the shareholders was held during the year.

b) No Postal ballot was conducted during the Year. None of the resolutions proposed at the ensuing Annual General Meeting need to be passed by Postal Ballot.

10. **Means of Communication**

Half-yearly report to shareholders, Quarterly Results, Newspaper in which published, Website etc.

The Quarterly, Half-yearly and Annual Results are generally published by the Company in English (Financial Express/Business Standard) and Vernacular (Sukhabar/Arthik Lipi) dailies. Official news releases/ notices etc, the Quarterly and Annual Results are sent to the Calcutta Stock Exchange Limited, where shares of the Company is listed, immediately on approval from the Board of Directors and are also posted on the Company's web site i.e. www.kanco.in. Annual Report containing Notice of the Annual General Meeting, Annual Audited Financial Statement, Directors' Report, Auditors' Report alonqwith the Disclosure and reports required to form part of the Annual Report is circulated to the Members and those entitled thereto. The Annual Report is displayed on the Company's Website www.kanco.in. No presentation was made to any Institutional Investor or Analyst during the year.

Directors' Report (*Contd.*)

11. General Shareholder Information

Annual General Meeting	
Date and Time	Tuesday, 18th August, 2026 at 11:30 a.m. (Meeting will be held through VC/OAVM)
Deemed Venue	Kanco Enterprises Limited, Jasmine Tower, 3rd Floor, 31 Shakespeare Sarani, Kolkata-700017
Financial Year	1st April to 31st March

Adoption of Quarterly / Annual Result	Adoption on or before (Tentative)
Unaudited Results for 1st quarter ending 30th June, 2026	14th August, 2026
Unaudited Results for 2nd quarter ending 30th September, 2026	14th November, 2026
Unaudited Results for 3rd quarter ending 31st December, 2026	14th February, 2027
Audited Results for the Year ending 31st March, 2027	30th May, 2027
Annual General Meeting for the year ending 31st March, 2027	30th September, 2027

Dates of Book Closure : Wednesday, 12th August, 2026 to Tuesday, 18th August, 2026 (both days inclusive)

Listing on Stock Exchange and Stock Code

Equity Shares of the Company are listed at **The Calcutta Stock Exchange Ltd.**
7, Lyons Range, Kolkata – 700001
(Scrip Codes 21381)

Listing Fees for the financial year 2026-2027 has been paid to The Calcutta Stock Exchange Ltd. Since 2013, there has been no trading on the CSE trading platform.

Dividend payment date: Not Applicable

Whether Securities are suspended from trading: No

Registrar and Transfer Agent ('RTA'):

All share management work both physical and demat are being handled by the Registrar to an issue and Share Transfer Agent of the Company whose name and address is given below:

MUFG Intime India Private Limited

Corporate Office: Rasoi Court, 5th Floor, 20 R. N. Mukherjee Road, Kolkata – 700001

Registered Office : C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083

Tel.: +91 033 6906 6200

Email: investor.helpdesk@in.mpms.mufg.com

Website: www.in.mpms.mufg.com

Share Transfer System

Share transfers, dividend payments and all other investor related activities are attended to and processed at the Office of the Company's Registrar and Share Transfer Agent.

Share Transfer Physical System: As per directives issued by SEBI, it is compulsory to trade in the Company's equity shares in dematerialized form. Effective April 1, 2019, transfer of shares in physical form has ceased. Shareholders who had lodged their request for transfer prior to March 31, 2019 and, have received the same under objection can relodge the transfer request after rectification of the documents. Request for transmission of shares and dematerialization of shares will continue to be accepted.

Directors' Report (*Contd.*)

Dematerialization of Shares and Liquidity: The process of conversion of shares from physical form to electronic form is known as dematerialization. For dematerializing the shares, the Shareholder has to open a demat account with a Depository Participant (DP). The Shareholder is required to fill in a Demat Request Form and submit the same along with the Share Certificate(s) to the DP. The DP will allocate a demat request number and shall forward the request physically and electronically, through NSDL/CDSL to the R&T Agent. On receipt of the demat request, both physically and electronically and after verification, the Shares are dematerialized, and an electronic credit of shares is given in the account of the Shareholder.

SEBI had vide its circular dated January 25, 2022, mandated companies to issue its securities in demat form only while processing various service requests such as issue of duplicate securities certificates, sub-division, consolidation, transmission, etc. to enhance ease of dealing in securities markets by investors. Members who are holding shares in physical form are hereby requested to convert their holdings in electronic mode to avail various benefits of dematerialisation. Further with effect from April 2, 2026, SEBI has dispensed with the requirement of issuance of a Letter of Confirmation (LOC) by the Company/RTA while processing service request. Accordingly, securities will be credited directly to the shareholder's demat account upon submission of valid documents.

Compliance Officer

Name: Mrs. Manisha Gupta

Designation: Company Secretary and Compliance Officer

Telefax : (033) 2281 5217

E-mail: compliance@kanco.in

Categories of Shareholding as on 31st March, 2026

Category	Number of Shares held	% of Total Shares
Promoters including persons deemed to be Acting in concert*	11200274	62.47
Mutual Funds/ UTI	54050	0.30
Financial Institutions/Banks	1433	0.01
State Government	14976	0.08
Others (including Corporate Bodies)	6659641	37.14
Total	17930374	100.00

* includes 2314556 (12.91%) shares, the pledge of which is yet to be revoked by the bank.

Dematerialisation of Shares and Liquidity

As on 31st March, 2026, 16941918 Equity Shares of the Company of Rs. 10/ each, representing 94.49% of the total paid up Equity Capital of the Company stands dematerialised.

The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have an option to dematerialise their shares with either of the Depositories.

ISIN for Dematerialisation: INE248D01011

Outstanding ADRs/GDRs/Warrants or any convertible instruments, conversion date and likely impact on equity: - Not Applicable**.**

Directors' Report (*Contd.*)

Distribution of Shareholding as on 31st March, 2026

Category	Shares		Shareholders	
	Numbers	% to Shares	Number	% of Shareholders
1-500	1291270	7.20	16135	96.61
501-1000	199093	1.11	268	1.60
1001-2000	201832	1.13	139	0.83
2001-3000	105811	0.59	42	0.25
3001-4000	56985	0.32	16	0.10
4001-5000	80719	0.45	17	0.10
5001-10000	290597	1.62	38	0.23
10001-50000	617734	3.45	28	0.17
50001-100000	321078	1.79	5	0.03
AND ABOVE	14765255	82.35	13	0.08
TOTAL	**17930374**	**100.00**	**16701**	**100.00**

Address for correspondence

Kanco Enterprises Limited
Registered Office:
Jasmine Tower, 3rd Floor
Kolkata – 700 017
Email for investors: compliance@kanco.in

12. **Disclosures**

a. **Compliances with Governance Framework**

The Company is in compliance with all mandatory requirements under the Listing Regulations and there is no non-compliance of any requirement of Corporate Governance Report covered under sub-paras (2) to (10) of the Part C of Schedule V of the Listing Regulations. The Company's operation has been shut down since 30.09.2015.

b. **Related party transactions**

There were no materially significant transactions with Related Parties during the financial year. Related party transactions have been disclosed under significant accounting policies and notes forming part of the Financial Statements in accordance with "IND AS". As required under Regulation 23(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company viz. www.kanco.in. The policy can be viewed at http://kanco.in/pdf/Codes_Policies/Policy%20on%20dealing%20with%20realted%20party%20 transactions%20and%20materiality%20of%20related%20party%20transactions.pdf

As per disclosures received from Senior Management Personnel, they have not entered into any material, financial or commercial transactions, which may have a potential conflict with the interest of the Company at large.

c. **Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during last three Financial Years.**

The Company has complied with all requirements specified under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as other regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three financial years.

Directors' Report (*Contd.*)

d. Vigil Mechanism / Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website viz. www.kanco.in. The Vigil Mechanism/Whistle Blower policy can be viewed at http://kanco.in/pdf/Codes_Policies/VIGIL%20MECHANISM_WHISTLE%20BLOWER.PDF

e. Disclosure of Accounting Treatment

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

f. List of all credit Ratings

Not Applicable

g. Commodity price risk and Commodity hedging activities

The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018.

h. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

Not Applicable

i. A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

j. Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year.

Not Applicable

k. Total fees for all services paid by the listed entity to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part.

Details relating to fees paid to the Statutory Auditors are given in Note 15 to the Financial Statements.

l. Subsidiary

The Company does not have any subsidiary.

m. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The details of number of complaints filed and disposed of during the year and pending as on March 31, 2026 is given in the Directors' report.

n. The Company has not given any loans/advances to firms/Companies in which Directors are interested.

o. The provisions related to constitution of Risk Management Committee is not applicable to the Company,

Directors' Report (*Contd.*)

p. In compliance to Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the affirmation of compliance of Code of Conduct for the year 2025-2026 has been received from all the Board Members and Senior Management Personnel. A declaration to this effect signed by the Chairman & Managing Director is annexed to this report.

q. There are no pecuniary relationships or transactions with Non-Executive Independent Directors, other than those disclosed in this report.

r. Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company undertook secretarial audit and the secretarial audit reports given by the respective company secretaries in practice forms part of 35th Annual Report of the Company.

s. Disclosure of certain types of agreements binding the Company, who are parties to the agreements specified in clause 5A of para-A of part A of schedule III: Nil

t. The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 of the SEBI (LODR) Regulations, 2015 and examining the implementation of some of the non-mandatory requirements. The status of the non-mandatory requirements is as follows:

u. Non-mandatory requirement

– The Company has not adopted the practice of sending out half-yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to Stock Exchanges and updated on the website of the Company.

– In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. Internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

CEO and CFO Certification

As per Part B of Schedule II of SEBI (LODR) Regulations, 2015, the Chairman & Managing Director and the CFO of the Company certify to the Board regarding the review of the Financial Statement, Compliance with the Accounting Standard, Maintenance of the Internal Control Systems for Financial Reporting and Accounting Policies etc.

Corporate Governance Compliance Certificate

As required by Schedule V of SEBI (LODR) Regulations, 2015, a Compliance Certificate from CS Asit Kumar Labh, Practicing Company Secretary, confirming compliance with the conditions of Corporate Governance and the same is attached to this Report forming part of the Annual Report.

For and on behalf of the Board of Director

U. Kanoria
Chairman & Managing Director
DIN: 00081108

Place: Kolkata
Dated: 28th May, 2026

Directors' Report (*Contd.*)

Compliance with the Code of Conduct

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2026.

For and on behalf of the Board of Director

U. Kanoria
Chairman & Managing Director
DIN: 00081108

Place: Kolkata
Dated: 28th May, 2026

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

Kanco Enterprises Limited

Jasmine Tower

31, Shakespeare Sarani

3rd Floor

Kolkata - 700 017

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kanco Enterprises Limited having CIN:L51909WB1991PLC053283 and having registered office at 'Jasmine Tower', 31, Shakespeare Sarani, 3rd Floor, Kolkata – 700 017, West Bengal (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Umang Kanoria	00081108	08.07.1997
2.	Sanjay Kumar Chaurasia	08453443	15.05.2019
3.	Varsha Gupta	09047421	09.02.2021
4.	Gourav Saraf	08204851	30.05.2024

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This Certificate has been issued relying on the documents and information as mentioned herein above and as were made available to us or as came to our knowledge for verification without taking any cognizance of any legal dispute(s) or sub-judice matters which

Directors' Report (*Contd.*)

may have effect otherwise, if ordered so, by any concerned authority(ies). This certificate is also neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Signature:

Name of the Practicing Company Secretary:
CS Asit Kumar Labh
Partner

For: **Labh & Labh Associates**
Company Secretary
ACS : 32891 / CP No. : 14664
UIN : P2025WB105500
PRCN : 7215/2025
UDIN : A032891H000S15395

Place: Kolkata
Dated: 28th May, 2026

CORPORATE GOVERNANCE CERTIFICATE

To

The Members,
Kanco Enterprises Limited
'Jasmine Tower', 3rd Floor,
31, Shakespeare Sarani,
Kolkata – 700 017

West Bengal

We have examined the compliance of conditions of Corporate Governance by Kanco Enterprises Limited ("the Company") in terms of Regulation 15(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ("Listing Regulations") for the year ended 31.03.2026.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

We further state such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For: **Labh & Labh Associates**
Company Secretary

(**Asit Kumar Labh)**
Partner
ACS : 32891 / CP No. : 14664
UIN : P2025WB105500
PRCN : 7215/2025
UDIN : A032891H000515483

Place: Kolkata
Dated: 28th May, 2026

Directors' Report (*Contd.*)

CEO/CFO Certification

We the undersigned in our respective capacities as Chairman & Managing Director and Chief Financial Officer of Kanco Enterprises Limited ("the Company") to the best of our knowledge and belief certify that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2026 and that to the best of our knowledge and belief we state that: -
   - these statements do not contain any materially untrue statement or omit any material fact nor contain statements that might be misleading;
   - these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:

   I. that there are no significant changes in internal control over reporting period during the year;

   II significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   III. that there are no instances of significant fraud of which we have become aware.

U. Kanoria
Chairman & Managing Director
DIN: 00081108

Madanlal Sharma
Chief Finance Officer

Kolkata, 28th May, 2026

Annexure G

Disclosures in Directors' Report pursuant to Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 as amended

Sl. No.	Employee Name	Designation	Remuneration Received	Qualification	Total Experience	Date of Commencement of Employment	Age	Particulars of Previous Employment		% of Shareholding
								Organisation	Designation	
1	Umang Kanoria	M.D.	--	B. Com (Hons.), ACMA, MBA	45	16.05.1998	67	Bengal Tea & Fabrics Ltd.	Jt. Managing Director	22.36
2	Madanlal Sharma	CFO	3,60,000	B.A.	50	01.07.1978	72	–	–	–
3	Manisha Gupta	Company Secretary	1,80,000	B. Com (Hons.), ACS	10	15.05.2019	42	–	–	–

Notes:

1 Nature of employment is Contractual in the case of Managing Director.

2 In respect of all the other employees, the nature of employment is non-contractual, terminable by notice on either side.

U. Kanoria
Chairman & Managing Director
DIN: 00081108

Kolkata, 28th May, 2026

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KANCO ENTERPRISES LIMITED

1. Report on the Audit of the Standalone Ind AS Financial Statements:

(a) Qualified Opinion:

We have audited the accompanying Standalone Ind AS financial statements of KANCO ENTERPRISES LIMITED [CIN : L51909WB1991PLC053283] ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit & Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a Notes to the Standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the 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 Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit including other comprehensive income, its changes in equity and its cash flows for the year ended on that date.

(b) Basis for Qualified Opinion:

As referred in note no. 10 (ii), the company has not provided interest on unsecured inter-corporate loan of Rs.9612.00 thousand 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. 943.61 thousands (PY Rs. 872.19 thousands)

We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the "Code of Ethics" issued by the Institute of the Chartered Accountants of India (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 made 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 audit opinion on the standalone Ind AS financial statements.

(c) Material Uncertainty Related to Going Concern:

Without qualifying our opinion, we draw attention to Note 16 (12) in the financial statements which indicates that Company net worth as at March 31, 2026 has been completely eroded on account of accumulated losses of Rs. 403194.83 thousands. Further due to operational difficulties and to curtail the loss company has suspended its manufacturing operation from September 30, 2015. The financial statements as at 31.03.2016 and onwards have been therefore prepared on non-going concern basis and assets are stated at lower of carrying value or net realisable value.

(d) Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

As per our audit and verification of books and records and fact finding etc, we have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in Auditor's responsibilities for the audit of the financial statements section of our report procedures designed to respond to our assessment of the risks of material misstatement of the

Independent Auditor's Report (*Contd.*)

financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for audit opinion on the accompanying financial statements.

Sl. No.	Key audit matter	How our audit addressed the key audit matter
1	**Transfer of Plant and Machinery** The Company had shown Plant & Machinery amounting to Rs 21630.65 thousands under Other Current Assets as Asset held for Sale in accordance with Ind AS 105-"Non-current Assets Held for Sale and Discontinued Operations in FY 2018-2019. During F.Y. 2019-2020, 2020-2021 & 2021-2022 tax invoices for Rs. 9491.19 thousand, Rs. 1773.85 thousands and Rs. 560.54 thousands (exclusive of GST) were raised. The Company has completed sale of balance Plant & Machinery amounting to Rs. 9805.06 thousands in the current financial year. Refer Note 7 to the ind AS financial statements.	**Principal Audit Procedures** Our procedures included, but were not limited to the following: Obtained and verified Sale Agreement along with Sale Invoices and other supporting documents We have involved ourselves to review the Sale Invoices generated, calculation of proportionate cost of Plant and to Machinery sold along with scrutiny of necessary, documentation and obtained the managements representation The said amount has been treated in accordance with Ind AS 16 and Ind AS 105.

2. Information other than the Standalone Ind AS Financial Statements and Auditor's Report Thereon:

The Company's Board of Director is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report (Director's Report) including Annexures to Board's Report (Director's Report), Corporate Governance Report, Management Discussion and Analysis, Annual Return, Report on CSR Activities, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on standalone Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge 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.

3. Responsibilities of Management for the Standalone Ind AS Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 Ind AS 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 Ind AS financial statements, 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 management either intends to liquidate the Company or to cease operations, or

Independent Auditor's Report (*Contd.*)

has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

4. Auditor's Responsibility for the Audit of the Standalone Ind AS Financial Statements:

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS financial statements as a whole are free from material misstatements, 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 SAs 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 standalone Ind AS financial statements.

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

- Identify an assess the risk of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to that risk, 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 and understanding of internal financial controls 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 also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place 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.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exist 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 exist, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion 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 Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represents 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 its probable that the economic decisions of a reasonably knowledgeable user of the 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 financial statements.

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

We also provide those charges with governance with a statement that we have compiled 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 charges with governance, we determined those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2026 and are therefore no specific key audit matters. We described these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determined 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.

Independent Auditor's Report (*Contd.*)

5. Report on Other Legal and Regulatory Requirements:

5.1 As required by Section 143(3) of the Act, based on our audit we report:

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 Statement of Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account;

d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rule, 2015, as amended;

e) On the basis of the written representations received from the directors, as on March 31, 2026, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 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 over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "ANNEXURE – A" to this report. Our report expresses and unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

g) With respect to the other matters to be included in the Auditor's Report in accordance with requirement of section 197(16) of the Act, as amended in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the 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 the impact of pending litigations on its financial position in its financial statements- refer note 16.1 of the financial statements.

ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) The Company has been no declared any dividend during the year and so reporting under this clause for which compliance with Section 123 of the companies, Act 2013 is not applicable.

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:

- 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:

- 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;

Independent Auditor's Report (*Contd.*)

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.

d) The Company has not declared any dividend during the year, so reporting under this clause for compliance with section 123 of the Companies Act, 2013 is not applicable.

e) **Reporting on Audit Trails:**

Based on our examination which included test checks, the company has used accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further during the course of our audit, we did not come across any instance of audit trail features being tampered with.

5.2 As required by the Companies (Auditors' Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "ANNEXURE- B", a statement on the matters specified in paragraph 3 and 4 of the said Order.

For: **Jain & Co.**
Chartered Accountants
Firm Registration No- 302023E
UDIN: 26055048IFLJCJ7784

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

Dated the 28th day of May, 2026

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

ANNEXURE – A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF KANCO ENTERPRISES LIMITED

Report on the Internal Financial Control under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") - Referred to in paragraph 5.1(f) of our report of even date to the Standalone Ind AS financial statements of the Company for the year ended March 31, 2026 :

We have audited the internal financial controls over financial reporting of **KANCO ENTERPRISES LIMITED [CIN : L51909WB1991PLC053283] ("the Company")**, as of March 31, 2026, in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note on Audit of Internal Financial Controls Over financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities includes the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards

Independent Auditor’s Report (*Contd.*)

on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the based of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For: **Jain & Co.**
Chartered Accountants
Firm Registration No- 302023E
UDIN: 26055048IFLJCJ7784

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

Dated the 28th day of May, 2026

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

Independent Auditor's Report (*Contd.*)

"ANNEXURE - B" TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 5.2 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the Standalone Ind AS financial statements of the Company for the year ended March 31, 2026:

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the course of audit, we state that :

1. a) The Company has maintained proper records showing full particulars including, quantitative details and situation of Property, Plant and Equipment.

   b) The Company does not have any intangible assets.

   c) Property, Plant and Equipment have been physically verified by the management at reasonable intervals. We have been informed that no material discrepancies were noticed on such verification. The title deeds of immovable properties are held in the name of the Company.

   d) The Company has not revalued its Property, Plant and Equipment during the year ended 31st March, 2026. Hence the clause 3(i)(d) is not applicable during the year to the Company.

   e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

2. a) As explained to us, inventory has been physically verified during the year by the management at reasonable intervals. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

   b) There was no inventory as at 31st March, 2026 and therefore this clause is not applicable to the Company.

   c) The Company has not availed any working capital loan during the year therefore this clause is not applicable to the Company.

3. The Company has not granted any loan to a body corporate covered in the register maintained under Section 189 of the Companies Act, 2013.

   a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee to other entity on behalf of a company.

   b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee to others.

   c) The Company has not granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(c) to 3(iii)(f) of the Order are not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to loans, investments, guarantee and security.

5. The Company has not accepted deposits from the public covered within the meaning of directives issued by the Reserve Bank of India and provisions of Sections 73 to Section 76 or any other relevant provisions of the Act and rules framed there under are not applicable.

6. Manufacturing activities of the Company are under suspension since 30th September, 2015. The Company has not maintained the cost records as prescribed under sub-section (1) of Section 148 of the Act.

7. a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees State Insurance, Income-tax, Cess and Goods & Service Tax to the extent applicable and any other statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2026 for a period of more than six months from the date they became payable.

Independent Auditor's Report (*Contd.*)

b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.

8. Based on the audit procedures performed and the information and explanations given to us, we report that during the year, as reported by the management there were no transactions which were not recorded in the books of account and were liable to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

9. a) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of loans or borrowings to any bank during the year. Further, the Company does not have any debentures and loan from financial institution or government.

   b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.

   c) In our opinion and according to the information and explanations given to us by the management, no term loans were obtained during the year.

   d) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.

   e) The Company does not have any subsidiary, associate or joint venture (as defined under Companies Act, 2013) during the year ended 31st March, 2026.

   f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

10. a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.

    b) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

11. a) Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

    b) According to the information and explanations given to us and based on our examination of the records of the Company, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

    c) According to the information and explanations given to us and based on our examination of the records of the Company, no whistleblower complaints have been received by the company during the year.

12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14. a) The company has an internal audit system commensurate with the size and nature of its business.

    b) The reports of the internal auditors for the period under audit of the company was considered by us at the time of conducting statutory audit.

Independent Auditor's Report (*Contd.*)

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.

16. a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

    b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act,1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

    c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

    d) According to the information and explanation given to us by the management, the Group has no CIC, which is required to be registered with the Reserve Bank of India.

17. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred cash losses in the Financial Year and the Company had incurred cash losses in the immediately preceding financial year.

18. There has been no resignation of the statutory auditors during the year.

19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and as informed by the Board of Directors, in our opinion, material uncertainty does not exist as on the date of the audit report and that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

20. According to the information and explanations given to us and based on our examination of the records of the Company, the company is not required to transfer unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act, in view of there being no ongoing projects during the year.

21. This being the Standalone Auditors Report, the clause no. 3 (xxi) of the order relating to reporting on Consolidated Financial Statements for any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) is not applicable to these financial statements of the company.

For: **Jain & Co.**
Chartered Accountants
Firm Registration No- 302023E
UDIN: 26055048IFLJCJ7784

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

Dated the 28th day of May, 2026

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

Standalone Balance Sheet As At 31st March, 2026

(₹ in Thousand)

Particulars	Note	As at 31st March, 2026	As at 31st March, 2025
A ASSETS			
1 Non-current assets			
a) Property, plant and equipment	2	3,876.86	3,988.44
b) Financial assets			
i) Other financial assets_NC	3	434.72	434.72
Total non-current assets		**4,311.58**	**4,423.16**
2 Current assets			
a) Inventories	5	–	2,405.90
b) Financial assets			
i) Cash and cash equivalents	6	210.71	177.84
c) Other current assets	4	3,901.01	3,775.67
d) Assets classified as held for sale	7	–	9,805.06
Total current assets		**4,111.72**	**16,164.47**
Total assets		**8,423.30**	**20,587.63**
B EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	8	1,79,303.74	1,79,303.74
b) Other equity	9	(1,89,541.89)	(2,11,102.50)
Total equity		**(10,238.15)**	**(31,798.76)**
Liabilities			
1 Current liabilities			
a) Financial liabilities			
i) Borrowings	10	10,892.00	9,612.00
iii) Other financial liabilities	11	612.32	18,563.05
b) Other current liabilities	12	7,157.13	24,211.34
Total current liabilities		**18,661.45**	**52,386.39**
Total liabilities		**18,661.45**	**52,386.39**
Total equity and liabilities		**8,423.30**	**20,587.63**

The accompanying Notes form an integral part of the Financial Statements

As per our attached report of even date
For **JAIN & CO.**
Chartered Accountants
Firm Registration No. 302023E
UDIN: 26055048IFLJCJ7784

CA M. K. JAIN
Partner
Membership No. 055048

Kolkata
Date : May 28, 2026

For and on behalf of the Board of Directors

U. Kanoria
Chairman & Managing Director
DIN: 00081108

M. L. Sharma
Chief Financial Officer

M. Gupta
Company Secretary
ICSI Membership No. ACS47310

Standalone Statement of Profit and Loss for the year ended 31st March, 2026

(₹ in Thousand)

Particulars	Note	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Revenue			
Other income	13	23,542.77	–
Total Income		**23,542.77**	**–**
Expenses			
Employee benefit expense	14	540.00	540.00
Depreciation and amortisation expense	2	111.58	111.58
Other expenses	15	1,330.58	1,310.29
Total expenses		**1,982.16**	**1,961.87**
Profit before tax		**21,560.61**	**(1,961.87)**
Tax expense			
Current tax		–	–
Deferred tax		–	–
Total tax expense		**–**	**–**
Profit / (loss) for the year		**21,560.61**	**(1,961.87)**
Other comprehensive income			
A) Items that will not be reclassified to profit and loss Remeasurement gains on defined benefit plans		–	–
Income tax relating to these items		–	–
B) Items that will be reclassified to profit and loss		–	–
Total Other comprehensive income, net of tax		**–**	**–**
Total comprehensive income / (loss)		**21,560.61**	**(1,961.87)**
No. of Shares		1,79,30,374	1,79,30,374
Basic and diluted earning ₹ per Equity share of ₹ 10 each		1.20	(0.11)

The accompanying Notes form an integral part of the Financial Statements

As per our attached report of even date
For **JAIN & CO.**
Chartered Accountants
Firm Registration No. 302023E
UDIN: 26055048IFLJCJ7784

CA M. K. JAIN
Partner
Membership No. 055048

Kolkata
Date : May 28, 2026

For and on behalf of the Board of Directors

U. Kanoria
Chairman & Managing Director
DIN: 00081108

M. L. Sharma
Chief Financial Officer

M. Gupta
Company Secretary
ICSI Membership No. ACS47310

Standalone Statement of Cash Flows for the year ended 31st March, 2026

(₹ in Thousand)

	Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
A.	**Cash flow from operating activities**		
	Profit /(loss) before tax	21,560.61	(1,961.87)
	Adjustments for:		
	Depreciation and amortisation expenses	111.58	111.58
	Operating profit before working capital changes	21,672.19	(1,850.29)
	Adjustments for:		
	Change in Inventories	2,405.90	–
	Other current assets	(125.34)	(97.31)
	Other current financial liabilities	(17,950.74)	12.06
	Other current liabilities	(17,054.21)	4.62
	Disposal of Assets held for sale	9,805.06	–
		(22,919.33)	(80.63)
	Cash generated from operations	(1,247.14)	(1,930.92)
	Less: Direct taxes net of refund	–	–
	Net cash flow from operating activities	**(1,247.14)**	**(1,930.92)**
B.	**Cash flow from investing activities**		
	Net cash from /(used in) investing activities	**–**	**–**
C.	**Cash flow from financing activities**		
	Increase / (Repayment) in borrowings	1,280.00	1,940.00
	Net cash used in financing activities	**1,280.00**	**1,940.00**
	Net change in cash and cash equivalents	**32.86**	**9.08**
	Opening balance - cash and cash equivalents	**177.84**	**168.76**
	Closing balance - cash and cash equivalents	**210.70**	**177.84**

The accompanying Notes form an integral part of the Financial Statements

As per our attached report of even date
For **JAIN & CO.**
Chartered Accountants
Firm Registration No. 302023E
UDIN: 26055048IFLJCJ7784

CA M. K. JAIN
Partner
Membership No. 055048

Kolkata
Date : May 28, 2026

For and on behalf of the Board of Directors

U. Kanoria
Chairman & Managing Director
DIN: 00081108

M. L. Sharma
Chief Financial Officer

M. Gupta
Company Secretary
ICSI Membership No. ACS47310

Standalone Statement of Changes in Equity for the year ended 31st March, 2026

A. Equity share capital

(₹ in Thousand)

Particulars	Note	Amount
As at April 01, 2024		**1,79,303.74**
Changes in Equity share capital		–
As at March 31, 2025		**1,79,303.74**
Changes in Equity share capital		–
As at March 31, 2026		**1,79,303.74**

B. Other equity

Particulars	Note	Reserves and surplus				Total Other Equity
		Securities Premium Account	General Reserves	Capital Reserves	Retained earnings	
As at April 01, 2024		**25,000.00**	**1,86,152.94**	**2,500.00**	**(4,22,793.57)**	**(2,09,140.63)**
Profit for the year					**(1,961.87)**	(1,961.87)
As at March 31, 2025		**25,000.00**	**1,86,152.94**	**2,500.00**	**(4,24,755.44)**	**(2,11,102.50)**
Profit for the year					**21,560.61**	21,560.61
As at March 31, 2026		**25,000.00**	**1,86,152.94**	**2,500.00**	**(4,03,194.83)**	**(1,89,541.89)**

The accompanying Notes form an integral part of the Financial Statements

As per our attached report of even date
For **JAIN & CO.**
Chartered Accountants
Firm Registration No. 302023E
UDIN: 26055048IFLJCJ7784

CA M. K. JAIN
Partner
Membership No. 055048

Kolkata
Date : May 28, 2026

For and on behalf of the Board of Directors

U. Kanoria
Chairman & Managing Director
DIN: 00081108

M. L. Sharma
Chief Financial Officer

M. Gupta
Company Secretary
ICSI Membership No. ACS47310

Notes to the Financial Statements (*Contd.*)

Background

Kanco Enterprises Limited (the 'Company') (CIN-L51909WB1991PLC053283) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 having its registered office at Jasmine Tower, 3rd Floor 31, Shakespear Sarani Kolkata-700017, India. The company was engaged in manufacturing of textile products in India. The company had suspended its operations in September 2015 to contain losses due to un-favourable market conditions. The factory land & building and machineries have been sold by the Company.The financial statements have been therefore been prepared on non going concern basis.

Note 1 Significant Accounting Policies

a. Basis of preparation:

The Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financials statements have been prepared on non-going concern basis and assets are stated at lower of carrying value or net realisable value. No material adjustment arose as a result of ceasing to apply the going concern basis.

All the assets and liabilities have been classified as current or non-current as per the normal operating cycle of the Company and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

b. Fixed Assets:

Tangible Assets:

Fixed assets are carried at cost of acquisition |construction including incidental expenses directly attributable to the acquisition|construction activity, as the case may be, less accumulated depreciation, amortisation and impairment as necessary as per "Cost Model".

Transition to Ind AS

On transition to Ind AS, the group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

c. Depreciation:

(i) Depreciation is being provided on a pro-rata basis on the ‘Straight Line Method’ over the estimated useful lives of the assets.

(ii) Depreciation is being calculated on a pro-rata basis from the date of acquisition|installation till the date the assets are sold or disposed of.

(iii) Useful lives of the assets as prescribed under part C of Schedule II to the Companies Act, 2013 are applied except plat and equipment, for which the management has estimated 10 years useful life of assets based on technical assessment.

(iv) The residual values are not more than 5% of the original cost of the asset. The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

d. Impairment of Assets:

The carrying amounts of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal | external factors. Considering the discontinued operation, an impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its fair value less costs to sell.

Notes to the Financial Statements (*Contd.*)

e. Borrowing Costs:

Borrowing costs in relation to acquisition and construction of qualifying assets are capitalised as part of cost of such assets up to the date when such assets are ready for intended use. Other borrowing costs are charged as expense in the year in which these are incurred.

f. Inventories:

i) Raw materials, packing materials, work-in-progress, finished goods, fuel, stores and spares are valued at cost or net realisable value whichever is lower. Cost is arrived at on First in First Out (FIFO) basis.

ii) Goods-in-transit are stated at the cost to the date of Balance Sheet.

iii) Scrap materials are valued at net realisable value.

iv) 'Cost' comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition.

v) Due allowances are made for obsolete inventory based on technical estimates made by the Company.

g. Foreign Currency Transactions:

i) Initial recognition:

Transactions denominated in foreign currencies are recorded at the rate prevailing on the date of the transaction.

ii) Conversion:

At the year end, monetary items denominated in foreign currencies remaining unsettled are converted into Indian rupee equivalents at the year end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii) Exchange differences:

All exchange differences arising on settlement and conversion of foreign currency transactions are included in the Statement of Profit and Loss.

h. Revenue Recognition:

Revenue from sales is recognised when all significant risks and rewards of ownership have been transferred to the buyer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

i) Sale of Goods and Services:

1) Domestic sales are acccounted for on dispatch from the point of sale except in case of consignment sales in which revenue is recognised when the goods are sold to a third party.

2) Export sales are accounted on the basis of dates of on board Bill of Lading and / or Air Way Bill.

3) Service income is recognised, when the related services are rendered.

ii) Other Revenues:

1) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

i. Employee benefits:

i) Defined contribution plan:

Contribution paid | payable by the Company during the period to Provident Fund,EDLI and Labour Welfare Fund are recognised in the Statement of Profit and Loss.

Notes to the Financial Statements (*Contd.*)

Provident Fund

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The group has no further payment obligations once the Contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

ii) Defined benefit plan:

Gratuity:

Gratuity liability is a defined benefit obligation and is computed on the actual basis at the end of each financial year. Any shortfall in the value of assets over the defined benefit obligation is recognised as a liability with a corresponding charge to the Statement of Profit and Loss.

Short-term leave encashment:

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur. The Company has unfunded Defined Benefit Plans in the form of Compensated Absences, as per Company Policy.

j. Provisions, Contingent Liabilities and Contingent Assets :

Provisions involving a substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Provision is not discounted to its present value and is determined based on the best estimate required to settle an obligation at the year end. These are reviewed every year end and adjusted to reflect the best current estimate. Contingent liabilities are not recognised but are disclosed in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

k. Taxation:

i) Income tax expense comprises current tax and deferred tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year.

ii) Deferred tax asset and deferred tax liability are calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets on account of timing differences are recognised, only to the extent there is a reasonable certainty of its realisation. Deferred tax assets are reviewed at each Balance Sheet date to reassure realisation.

l. Critical estimates and judgments:

The preparation of Financial Statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

The areas involving critical estimates or judgments are:

- Estimated useful life of Plant & equipment – Note 2
- Estimation of defined benefit obligation – Note 16.4

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Notes to the Financial Statements (*Contd.*)

2. **Property, Plant and Equipment**

(₹ in Thousand)

Particulars	Gross Block				Depreciation				Net Block As At	
	As at April 1, 2025	Additions during the year	Disposal	As at March 31, 2026	As at April 1, 2025	For the year	On disposals	As at March 31, 2026	March 31, 2026	March 31, 2025
Buildings	7,139.36	–	–	7,139.36	3,185.11	111.58	–	3,296.69	3,842.67	3,954.25
Furniture and Fixtures	237.27	–	–	237.27	226.03	–	–	226.03	11.24	11.24
Office equipment	497.59	–	–	497.59	474.64	–	–	474.64	22.95	22.95
Current Year	**7,874.22**	**–**	**–**	**7,874.22**	**3,885.78**	**111.58**	**–**	**3,997.36**	**3,876.86**	**3,988.44**

Particulars	Gross Block				Depreciation				Net Block As At	
	As at April 1, 2024	Additions during the year	Disposal	As at March 31, 2025	As at April 1, 2024	For the year	On disposals	As at March 31, 2025	March 31, 2025	March 31, 2024
Buildings	7,139.36	–	–	7,139.36	3,073.53	111.58	–	3,185.11	3,954.25	4,065.83
Furniture and Fixtures	237.27	–	–	237.27	226.03	–	–	226.03	11.24	11.24
Office equipment	497.59	–	–	497.59	474.64	–	–	474.64	22.95	22.95
Current Year	**7,874.22**	**–**	**–**	**7,874.22**	**3,774.20**	**111.58**	**–**	**3,885.78**	**3,988.44**	**4,100.02**
Previous year	**7,874.22**	**–**	**–**	**7,874.22**	**3,662.62**	**111.58**	**–**	**3,774.20**	**4,100.02**	**4,211.60**

2.1 The Company has not revalued its Property, Plant and Equipment during the current reporting period.

2.2 The Company does not hold any Benami Property and does not have any proceedings initiated or pending for holding Benami Property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988)

Notes to the Financial Statements (*Contd.*)

(₹ in Thousand)

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Current	Non current	Current	Non current
Note 3 Other financial assets				
a) Security deposits	–	434.72	–	434.72
	–	**434.72**	**–**	**434.72**

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Current	Non current	Current	Non current
Note 4 Other assets				
a) Balances with the Government department				
i) Tax paid in advance, net of provisions	2,812.85	–	2,804.60	–
ii) Balances with the statutory authorities	356.14	–	257.27	–
b) Advances				
i) Others	732.02	–	713.80	–
	3,901.01	**–**	**3,775.67**	**–**

Particulars	As at 31st March, 2026	As at 31st March, 2025
Note 5 Inventories		
a) Stores and spares	–	2405.90
	–	**2405.90**
Valued at cost or net realizable value whichever is lower		

Particulars	As at 31st March, 2026	As at 31st March, 2025
Note 6 Cash and cash equivalents		
a) Balances with banks		
i) In current accounts	209.33	176.17
b) Cash on Hand	1.38	1.67
	210.71	**177.84**

There are no repatriations restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

Particulars	As at 31st March, 2026	As at 31st March, 2025
Note 7 Assets classified as held for sale		
a) Plant & machinery	–	9805.06
	–	**9805.06**

In April 2018, the director of the company decided to sell plant & machineries. The company has completed the sale of amchineries during the fianncial year ended 31st March,2026. Plant & Machinery classifieid as held for sale during the reporting period was measured at the lower its carrying amount and fair value less cost to sell at the time of reclassifications.

Particulars	As at 31st March, 2026	As at 31st March, 2025
Note 8 Equity share capital		
Authorised		
1,85,00,000 (1,85,00,000) Equity shares of ₹10 each	1,85,000.00	1,85,000.00
	1,85,000.00	1,85,000.00
Issued		
1,79,30,374 (1,79,30,374) Equity shares of ₹10 each	1,79,303.74	1,79,303.74
	1,79,303.74	1,79,303.74
Subscribed		
1,79,30,374 (1,79,30,374) Equity shares of ₹10 each, fully paid	1,79,303.74	1,79,303.74
	1,79,303.74	1,79,303.74

Notes to the Financial Statements (*Contd.*)

a) Movement in Equity share capital

(₹ in Thousand)

Particulars	Number of shares	Equity share capital
As at March 31, 2024	1,79,30,374	1,79,303.74
As at March 31, 2025	1,79,30,374	1,79,303.74
As at March 31, 2026	1,79,30,374	1,79,303.74

b) Terms and rights attached to equity shares

The Company has one class of shares referred to as Equity shares having a par value of ₹ 10. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Details of Shareholders holding more than 5% of Equity shares:

No	Name of the Shareholder	As at 31st March, 2026		As at 31st March, 2025	
		Holding %	Number of shares	Holding %	Number of shares
1	Umang Kanoria	22.36%	40,08,929	22.36%	40,08,929
2	Kanco Tea & Industries Limited	18.48%	33,14,291	18.48%	33,14,291
3	B.T Investments Pvt Ltd	9.05%	16,22,655	8.52%	15,28,150
4	Cosmos Resources Pvt Ltd	7.40%	13,26,429	7.40%	13,26,429
5	Southern Lease Finance Ltd	13.94%	25,00,000	13.94%	25,00,000

d) Details of Shareholding of promoters:

No	Name of the Shareholder	As at 31st March, 2026		As at 31st March, 2025		% change during the year
		Number of shares	Holding %	Number of shares	Holding %	
1	Umang Kanoria	40,08,929	22.36%	40,08,929	22.36%	–
2	Kanco Tea & Industries Limited	33,14,291	18.48%	33,14,291	18.48%	–
3	B.T Investments Pvt Ltd	16,22,655	9.05%	16,22,655	9.05%	–
4	Cosmos Resources Pvt Ltd	13,26,429	7.40%	13,26,429	7.40%	–
5	E.T.Resources Private Limited	25,00,000	13.94%	25,00,000	13.94%	–
6	Innova Properties Private Limited	1,20,000	0.67%	1,20,000	0.67%	–
7	Nidhi Private Limited	3,85,075	2.15%	3,85,075	2.15%	–

Particulars		As at 31st March, 2026	As at 31st March, 2025
Note 9 Other equity			
(a)	Securities Premium Account	25,000.00	25,000.00
(b)	General Reserves	1,86,152.94	1,86,152.94
(c)	Capital Reserves	2,500.00	2,500.00
(d)	Retained earnings	(4,03,194.83)	(4,24,755.44)
		(1,89,541.89)	**(2,11,102.50)**

Notes to the Financial Statements (*Contd.*)

(₹ in Thousand)

Particulars	As at 31st March, 2026		As at 31st March, 2025	
Note 10 Borrowings				
Long-term borrowings				
Unsecured				
Term loans from related parties	1,280.00	–	–	–
Term loans from other parties	9,612.00	–	9,612.00	–
	10,892.00	**–**	**9,612.00**	**–**

(i) Unsecured loan noncurrent borrowing is repayable on demand not earlier than March 31, 2026.

(ii) The company has not provided interest on unsecured loan of 9,612.00 (PY 9,612.00) received from non-related party.

Note 11 Other financial liabilities				
a) Security deposits	–	–	18,000.00	–
b) Others	612.32	–	563.05	–
	612.32	–	**18,563.05**	–

Others financials liabilities includes ₹ 23.07 (PY: ₹ 23.07) payable to director.

Note 12 Other Current Liabilities				
a) Statutory dues	20.33	–	21.94	–
b) Advance Received from Fixed Assets Buyer	–	–	24,189.40	–
c) Other Advance	7,136.80	–	–	–
	7,157.13	**–**	**24,211.34**	**–**

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Note 13 Other Income		
Profit on Sale of Machinery held for sale and inventory	23,542.77	–
	23,542.77	**–**

Note 14 Employee benefit expense		
Salaries wages and bonus	540.00	540.00
Contributions to Provident and other funds	–	–
	540.00	**540.00**

Notes to the Financial Statements *(Contd.)*

(₹ in Thousand)

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Note 15 Other expenses		
Share Maintenance Expenses	559.92	581.95
Consultancy and professional fees	191.75	191.75
Director's Sitting Fees	120.00	130.00
Office Maintenance Expenses	128.64	111.77
Rates and Taxes	122.82	102.81
Miscellaneous Expenses	104.47	88.59
Auditor Remuneration	50.77	50.57
Electricity Charges	43.99	42.45
Insurance Charges	8.22	10.00
Travelling and conveyance	–	0.40
	1,330.58	**1,310.29**
Note:Auditor Remuneration		
(i) Statutory Audit Fees	50.00	50.00
(ii) Reimbursement of Expenses	0.77	0.57

16.1 Contingent liabilities		
(a) Claims against the Company not acknowledged as debts in respects of Labour matter The disputed demands for other matters amounts as of the reporting period ends are respectively as follows:		
Particulars	**As at 31st March, 2026**	**As at 31st March, 2025**
Claims against the Company not acknowledged as debts in respects of:		
i) Labour matter	475.84	475.84
Note: Future cash outflows above are judgements / decisions pending with authority determinable on receipt of		

16.2 (A) Related Party information

Name of the Related Party and nature of relationship

Sl.No.	Name of the Related Party		Description of relationship
01	Mr. Umang Kanoria	Chairman & Managing Director	Key Management Personnel
02	Ms. Manisha Gupta	Company Secretary	
03	Mr. Madanlal Sharma	Chief Financial Officer	
01	Mr.K.K.Gupta(Tenure Complete on 12.08.2024)	Independent Director	Directors
02	Ms. Varsha Gupta	Independent Director	
03	Mr.Sanjay Kumar Chaurasia	Non-Executive Director	
04	Mr.Gourav Saraf	Independent Director	
01	Mrs. Anuradha Kanoria	Spouse of Mr.Umang Kanoria	Relatives of Key Management Personnel
02	Ms. Stuti Kanoria	Daughter of Mr.Umang Kanoria	
03	Mr.Satvik Kanoria	Son of Mr.Umang Kanoria	
01	Kanco Tea & Industries Limited		Enterprises over which the key management personnel and/or their relatives have significant influence
02	Innova Properties Private Limited		
03	Milan Agencies Private Limited		
04	Dhanvaridhi Foods Private Limited		
05	Kanco Speciality Packaging Private Limited		
06	Winnow Investment and Securities Private Limited		
07	Kanco CSR Trust		
01	Kanco Enterprises Limited- Employees Gratuity Fund		Post-Retirement Benefit Plan Entities

Notes to the Financial Statements (*Contd.*)

(₹ in Thousand)

16.2 (B) Transactions with Related Party							
Name of the Related Party and nature of relationship							
Sl.No.	**Particulars**	**2025-2026**			**2024-2025**		
		Key Management Personnel	**Directors**	**Post-Retirement Benefit Plan Entity**	**Key Management Personnel**	**Directors**	**Post-Retirement Benefit Plan Entity**
01	**Remuneration**	**540.00**	**–**	**–**	**540.00**	**–**	**–**
	Ms.Manisha Gupta	180.00	–	–	180.00	–	–
	Mr. Madanlal Sharma	360.00	–	–	360.00	–	–
02	**Director Sitting Fess Paid**	–	120.00	–	–	130.00	–
	Mr.K.K.Gupta(Tenure Complete on 12.08.2024)	–	–	–	–	20.00	–
	Ms. Varsha Gupta	–	40.00	–	–	40.00	–
	Mr.Sanjay Kumar Chaurasia	–	40.00	–	–	40.00	–
	Mr.Gourav Saraf	–	40.00	–	–	30.00	–
03	**Loan Received**	–		–	–	–	–
	Mr. Umang Kanoria	1,605.00	–	–	–	–	–
04	**Loan Repaid**		–	–	–	–	–
	Umang Kanoria	325.00	–	–	–	–	–
01	**Outstanding balances as at year end**						
	Payables	1,303.07	–	–	23.06	–	–
	Mr. Umang Kanoria	1,303.07	–	–	23.06	–	–
01	**Receivables**	–	–	135.69	–	–	135.69
	Kanco Enterprises Limited- Employees Gratuity Fund	–	–	135.69	–	–	135.69

*Related party relationship is as identified by the Company on the basis of information available with them and relied upon by the Auditors.

16.3 Current and Deferred tax			
The major components of income tax expense for the years ended March 31, 2026 and March 31, 2025 are:			
(a)	**Income tax expense**		
	Particulars	**2025-2026**	**2024-2025**
i)	**Current tax**	–	–
ii)	**Deferred tax**	–	–
	(Decrease) | Increase in deferred tax liabilities	–	–
	Decrease | (Increase) in deferred tax assets	–	–
	Total deferred tax expense|(benefit)	–	–
	Income tax expense	–	–
(b)	No deferred tax has been recorded or recognised in other comprehensive income during the reporting year.		
(c)	**Current tax Assets**		
	Opening balance	2,804.60	2,804.60
	Less: Current tax payable for the year	–	–
	Add: Taxes paid / TDS Deducted	8.25	–
	Closing balance	**2,812.85**	**2,804.60**

Notes to the Financial Statements (*Contd.*)

(₹ in Thousand)

16.4 Employee benefit obligations	
Funded schemes	
(a)	**Defined benefit plans:** **Gratuity** The Company has suspended its operations at the Company's factory since September 30, 2015 and gratuity dues of all the workers have been settled. Hence, disclosures as required by Ind As 19 - Employee Benefits are not applicable.
(b)	**Defined contribution plans:** The Company pays provident fund contributions to registered provident fund administered by the government at the rate of 12% of basic salary as per regulations. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expenses recognised during the period towards defined contribution plan is of ₹ Nil/- (PY ₹ Nil).

16.5 Fair value measurements

Financial instruments by category

Particulars	As at 31st March, 2026			As at 31st March, 2025		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
i) Cash and cash equivalents	–	–	210.71	–	–	177.84
ii) Other financial assets	–	–	434.72	–	–	434.72
Total financial assets	–	–	645.43	–	–	**612.56**
Financial Liabilities						
i) Borrowings	–	–	10,892.00	–	–	9,612.00
ii) Other financial liabilities	–	–	612.32	–	–	18,563.05
Total financial liabilities	–	–	11,504.32	–	–	**28,175.05**

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the Financial Statements. To provide an indication about the reliability of the inputs used in determining fair value, the Comapny has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(ii) Fair value of financial assets and liabilities measured at amortised cost

Particulars	March 31, 2026		March 31, 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
i) Cash and cash equivalents	210.71	210.71	177.84	177.84
ii) Other financial assets	434.72	434.72	434.72	434.72
Total financial assets	645.43	645.43	**612.56**	**612.56**
Financial Liabilities				
i) Borrowings	10,892.00	10,892.00	9,612.00	9,612.00
ii) Other financial liabilities	612.32	612.32	18,563.05	18,563.05
Total financial liabilities	11,504.32	11,504.32	**28,175.05**	**28,175.05**

The carrying amounts of trade receivables, trade payables, other receivables, loan, borrowings, capital creditors and cash and cash equivalents including bank balances other than cash and cash equivalents are considered to be the same as their fair values due to the current and short term nature of such balances.

Notes to the Financial Statements (*Contd.*)

(₹ in Thousand)

16.6 Financial risk management

As the Company has suspended operations it is not exposed to any material credit risk, however it has limited exposure to the following financial risks:

– Credit risk

– Liquidity risk

Risk Management

The company manages its risks under policies approved by the Board of Directors.

Credit Risk: As the operations are suspended the company does not foresee any credit risk due to a customer default. In case of planned disposal of assets the company will formulate necessary policy to safeguard its receivables.

Liquidity Risk: It is the risk that the company will encounter difficulty in meeting the financial obligations that are settled by delivering cash or its equivalent. The company endeavours to have sufficient liquidity to meet its liabilities as and when they are due.

16.7 Capital management

Due to adverse external business environment prevailing in the industry since long capital of the company has been completely eroded. The company is making all efforts to minimize any further losses.

16.8 Segment information

As the Company's business activity falls within a single primary segment viz. Textile Products, the disclosure requirement of IND AS - 108 'Operating Segments' notified under the Companies (Indian Accounting Standards) Rules, 2015, is not applicable.

Further, since the revenue generated and assets within India are greater than 90% of the total revenue and total assets respectively of the Company, the disclosure requirement of geographical segments as per the aforesaid Standard is not applicable.

Significant clients

The Company has suspended its operations at the Company's factory since September 30, 2015 the revenue for current year and previous year is nil and hence there are no significant clients during the year.

16.9 Earning per share

Earning per share (EPS) - The numerators and denominators used to calculate basic and diluted EPS:

Particulars		For the year ended 31st March, 2026	For the year ended 31st March, 2025
Profit for the year attributable to the Equity Shareholders	₹ in thousand	21,560.61	(1,961.87)
Basic | Weighted average number of Equity shares outstanding during the year	Number in thousand	17,930.37	17,930.37
Nominal value of Equity share	₹	10	10
Basic and diluted Earning per Equity share	₹	1.20	(0.11)

16.10 Disclosure requirement under MSMED Act, 2006

The Company has not received any intimation from the suppliers regarding status under the Micro, Small & Medium Enterprises Development Act, 2006 (The Act) and hence disclosures regarding : a) Amount due and outstanding to suppliers as at the accounting period, b) Interest paid during period, c) Interest payable at the end of the accounting period and d) Interest accrued at the end of accounting period, has not been disclosed or provided.

Notes to the Financial Statements (*Contd.*)

(₹ in Thousand)

16.11 Net debt reconciliation

Particulars	March 31, 2026	March 31, 2025
Cash and cash equivalents	210.71	177.84
Current borrowings	10,892.00	9,612.00
Non-current borrowings	–	–
Interest accrued and due on borrowing	–	–
Net Debt	**(10,681.29)**	**(9,434.16)**

Particulars	Other Assets	Liabilities from financing activities			
	Cash and cash equivalents	Current borrowings	Non-current borrowings	Other financials libility	Total
Net debt as at 1 April 2025	177.84	(9,612.00)	–	–	(9,434.16)
Cash flows	32.86	(1,280.00)	–	–	(1,247.14)
Net debt as at 31st March 2026	210.70	(10,892.00)	–	–	(10,681.30)

16.12 The company was engaged in manufacturing of textile products in India. The company had suspended its operations in September 2015 to contain losses due to un-favourable market conditions. The factory land & building and machineries have been sold by the Company.The financial statements have been therefore been prepared on non going concern basis.

16.13 Details of significant key financial ratios

Sl.No.	Particulars	F.Y 2025-2026	F.Y. 2024-2025	% Change	Reasons of Variance
a)	Current Assets	4,111.72	16,164.47		
	Current Liabilities	18,661.45	52,386.39		
	Current Ratio	**0.22**	**0.31**	**(29.00%)**	Please refer Note-1
b)	Total Debt	10,892.00	9,612.00		
	Total Equity	(10,238.15)	(31,798.76)		
	Debt Equity Ratio	**(1.06)**	**(0.30)**	**252.00%**	Please refer Note-2
c)	Earning before interest & tax	21,560.61	(1,961.87)		
	Current portion of long term debt alongwith interest	–	–		
	Debt Service Coverage Ratio	–	–	N.A.	
d)	Profit after tax	21,560.61	(1,961.87)		
	Net Worth	(10,238.15)	(31,798.76)		
	Return on Equity	**(2.11)**	**0.06**	**(3617.00%)**	Please refer Note-2
e)	**Inventory Turnover Ratio**	N.A	N.A		The company has no inventory as at balance sheet date
f)	**Trade Receivables Turnover Ratio**	N.A	N.A		The company has no trade receivables as at balance sheet date
g)	**Trade Payables Turnover Ratio**	N.A	N.A		The company has no trade payables as at balance sheet date
h)	Turnover	23,542.77	–		
	Net Worth	(10,238.15)	(31,798.76)		
	Net Capitals Turnover Ratio	**(2.30)**	**N.A**	**N.A**	

Notes to the Financial Statements (*Contd.*)

(₹ in Thousand)

16.13 Details of significant key financial ratios					
Sl.No.	**Particulars**	**F.Y 2025-2026**	**F.Y. 2024-2025**	**% Change**	**Reasons of Variance**
i)	Profit after tax	21,560.61	(1,961.87)		
	Turnover	23,542.77	–		
	Net Profit Ratio	**0.92**	**N.A**	**N.A**	
j)	Earning before interest & tax	21,560.61	(1,961.87)		
	Total Asset-Current Liability	(10,238.15)	(31,798.76)		
	Return on Capital Employed	**(2.11)**	**0.06**	**(3616.67%)**	Please refer Note-2
	Return on Investment	**N.A**	**N.A**	**N.A**	The Company has no investment during the year under audit and previous year.

Notes

(i) During the current year, Security Deposit and Advance received from Fixed Assets Buyer were adjusted against sale proceeds of machinery held for sale resulting in reduction in current assets and liabilities.

(ii) During the current year, the company sold the machinery held for sale and store inventory resulting in increase in profits compared to previous year.

16.14 The company does not have any transactions or relationships with any companies struck off under Section 248 of the Companies Act,2013 or Section 560 of the Companies Act,1956.

16.15 Previous year figures have been re-classified/re-grouped to confirm the presentation requirements under IND AS and the requirements laid down in Division-II of the Schedule-III of the Companies Act, 2013.

16.16 The other prescribed clauses as prescribed under other regulatory information for the year ended 31st March, 2026 being not applicable have not been given.

The Notes are an integral part of the Financial Statements

As per our attached report of even date
For **JAIN & CO.**
Chartered Accountants
Firm Registration No. 302023E
UDIN: 26055048IFLJCJ7784

CA M. K. JAIN
Partner
Membership No. 055048

Kolkata
Date : May 28, 2026

For and on behalf of the Board of Directors

U. Kanoria
Chairman & Managing Director
DIN: 00081108

M. L. Sharma
Chief Financial Officer

M. Gupta
Company Secretary
ICSI Membership No. ACS47310

KANCO ENTERPRISES LIMITED
(CIN : L51909WB1991PLC053283)

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