

KANCO ENTERPRISES LIMITED

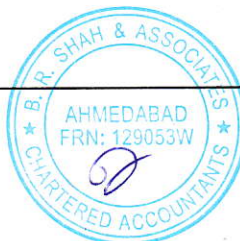
REGISTERED OFFICE: 'JASMINE TOWER', 3RD FLOOR, 31, SHAKESPEARE SARANI, KOLKATA - 700 017
 Telefax: (+91 33) 22815217, Email: Compliance@kanco.in, Website: www.kanco.in, CIN: L51909WB1991PLC053283

PART I		(₹. in Lakhs)				
STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2019						
Sl. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited) ..
1.	Income from operations					
	(a) Revenue from operations	-	-	-	-	-
	(b) Other income	31	28	6	191	15
	Total income	31	28	6	191	15
2.	Expenses					
	(a) Cost of materials consumed	-	-	-	-	-
	(b) Employee benefits expense	13	11	18	52	85
	(c) Finance cost	150	18	-	237	-
	(d) Depreciation and amortisation expense	2	1	1	5	5
	(e) Other expenses	14	13	7	58	33
	Total expenses	179	43	26	352	123
3.	Profit / (Loss) before exceptional items and tax (1-2)	(148)	(15)	(20)	(161)	(108)
4.	Exceptional items- income/(expense)	5,343	-	860	5,343	-
5.	Profit /(Loss) before tax (3-4)	5,195	(15)	840	5,182	(108)
6.	Tax expenses	-	-	-	-	-
7.	Net Profit/(Loss) for the period (5-6)	5,195	(15)	840	5,182	(108)
8.	Other comprehensive income (net of tax expenses)	-	-	-	-	-
9.	Total comprehensive income for the period (7+8)	5,195	(15)	840	5,182	(108)
10.	Paid -up equity share capital (Face value per share ₹. 10/-)	1,793	1,793	1,793	1,793	1,793
11.	Earning per share (EPS) of ₹. 10 per share					
	Basic & Diluted EPS (₹. per share) (Not annualised)	28.97	(0.08)	4.68	28.90	(0.60)

Part II - Statement of Assets and Liabilities

(₹. in Lakhs)

Sl. No.	Particulars	As at	As at
		31/03/2019	31/03/2018
		(Audited)	(Audited)
A.	Assets		
1	Non-Current Assets		
	(a) Property, plant and equipment	1,124	1,583
	(b) Financial assets	4	4
	Others	18	86
	(c) Other non-current assets	1,146	1,673
	Sub-total Non-Current Assets (A)		
2	Current Assets		
	(a) Inventories	24	24
	(b) Financial assets	14	32
	Cash and cash equivalents	6	17
	(c) Other current assets	216	-
	(d) Assets classified as held for sale	260	73
	Sub-Total Current Assets (B)	1,406	1,746
	Total Assets (A + B)		
B	Equity and Liabilities		
1	Equity		
	(a) Equity share capital	1,793	1,793
	(b) Other equity	(3,840)	(9,022)
	Sub-total - Equity (A)	(2,047)	(7,229)
2	Non-Current Liabilities		
	(a) Financial liabilities		
	Borrowing	434	434
	Sub-total - Non-Current Liabilities (B)	434	434
3	Current Liabilities		
	(a) Financial liabilities		
	Borrowing	2,337	2,370
	Trade payable	-	6
	Other financial liabilities	416	6,152
	(b) Other current liabilities	262	7
	(c) Provisions	4	6
	Sub-total - Current Liabilities (C)	3,019	8,541
	Total Equity and Liabilities (A + B + C)	1,406	1,746



Notes:

1. The above results were reviewed by the Audit Committee and approved at the meeting of Board of Directors held on May 30, 2019; and the Statutory Auditors have qualified their Audit Report in the matter stated in Note No. 5 below which are self explanatory.
2. These results has been prepared in accordance with the Ind AS notified under the Companies (Indian Accounting Standard) Rules 2015.
3. The Company is engaged in the business of manufacturing of cotton yarn & knitted fabrics. Since the Company's business falls within a single business segment, disclosure under Indian Accounting Standard (Ind AS) -108 Operating Segments is not applicable.
4. In absence of probable future taxable profit, the Company has recognised deferred tax assets only to the extent of deferred tax liability, as stipulated by Indian Accounting Standard (Ind AS) -12.
5. The company has not provided interest on unsecured intercorporate loan of ₹.967 lakhs from related party and unsecured loan of ₹.150 lakhs received from non-related party.
6. The Company's proposal for One Time Settlement (OTS) with SBI & IDBI has been accepted for ₹.2375 lakhs by them vide letters dated 23.02.2018 & 07.02.2018 respectively. The Company has made payments as per negotiated settlement with the bankers and received no dues certificate. Accordingly the Company has reversed loan liability of ₹.1343 Lakhs and provision for interest of ₹.3999 Lakhs and shown as exceptional item for the quarter and year ended March 31, 2019.
7. The Company suspended operations in September, 2015 to contain losses due to un-favourable market conditions and financial constraints. The incentives given to new cotton spinning units under the state textile policy created an uneven playing field making it difficult for the older units to compete in times of general lack of demand and a situation of oversupply in the market. The financial statements as at 30-09-2015 and afterwards have been therefore been prepared on non going concern basis.
8. Company has not provided depreciation on Building, Plant & Equipments for the year ended March 31, 2018 and afterwards in absence of active use of the same. Also the Company has reversed depreciation provision of ₹.46.67 lakhs provided till quarter ended December 31, 2017 and has been shown the same as exceptional item for the quarter ended March 31, 2018.
9. The figures for the quarter ended 31-03-2019 and 31-03-2018 are the balancing figures between audited figures in respect of the full financial year and the unaudited published year to date figures upto nine months of the respective years which were subject to limited review.
10. The figures have been re-grouped and re-classified, wherever necessary to make them comparable.

By the order of the Board

U. Kanoria

U. Kanoria
Chairman & Managing Director
DIN:00081108

Kolkata, the 30th May, 2019



**Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company
Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015**

To
Board of Directors of
Kanco Enterprises Limited

1. We have audited accompanying the Statement of the quarterly financial results of Kanco Enterprises Limited ("the Company") for the quarter & year ended March 31, 2019, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('SEBI regulations'). The quarterly financial results derived figures between audited figures in respect of the year ended March 31, 2019 and the published year-to-date figures up to December 31, 2018, being the date of the end of the third quarter for the current financial year, which were subject to limited review. The financial results for the quarter & year ended March 31, 2019 have been prepared on the basis of the financial results for the nine-month period ended December 31, 2018, the audited annual IND AS financial statements as at and for the year ended March 31, 2019, and the relevant requirements of SEBI Regulations, which are the responsibility of the company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our review of the financial results for the nine-month period ended December 31, 2018 which were prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (IND AS) 34 for Interim Financial Reporting, specified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; and other accounting principles generally accepted in India; our audit of the annual IND AS financial statements as at and for the year ended March 31, 2018; and the relevant requirement of SEBI Regulations.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. (a) *The company has not made provision for interest for delay in payment to vendors during the previous periods as per agreed terms with vendors. Also trade Payables are subject to confirmations. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.*

(b) *The company has not provided interest on unsecured inter-corporate loan of Rs.967 lakhs from related party and unsecured loan of Rs. 150 lakhs received from non-related party. Amount of the Interest for the current year on the said loan as per last agreed rate with the parties is Rs. 115.84 lakhs (PY Rs. 123.58 lakhs)*

(f) *The company has not provided depreciation of Rs. 47.39 lakh on building in absence of active use of premises at factory location.*
4. In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of the matter described in the paragraph 3, these quarterly financial results as well as the year to date results:
 - (i) are presented in accordance with the requirements of Regulation in this regard; and
 - (ii) give a true and fair view of the net profit and other financial information for the quarter ended March 31, 2019 and the net loss and other financial information the year ended March 31, 2019
5. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2019 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2019 and the published year-to-date figures upto December 31, 2018, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under Regulation.

For B. R. Shah & Associates
Firm Registration Number: 129053W
Chartered Accountants

D. R. Desai

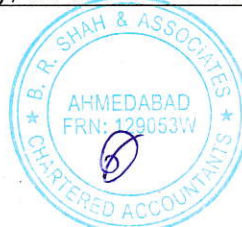
Deval R Desai
Partner
Membership Number: 132426



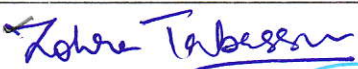



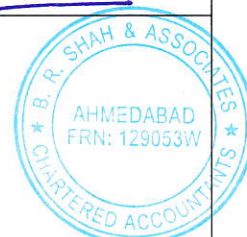
Ahmedabad
May 30, 2019

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

<u>Statement on Impact of Audit Qualifications for the year ended on 31 st March, 2019</u>				
I	Sl No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover/Total Income	1,91,04,914	1,91,04,914
	2.	Total Expenditure	3,51,73,790	5,14,97,313
	3.	Exceptional items	53,42,79,569	53,42,79,569
	4.	Net Profit/(Loss)	51,82,10,693	50,18,87,170
	4.	Earnings Per Share	28.90	27.99
	5.	Total Assets	14,06,13,100	12,96,81,644
	6.	Total Liabilities	345,314,811	386,100,208
	7.	Net Worth	(204,701,711)	(256,418,564)
	8.	Any other financial item(s)(as felt appropriate by the management)		
II	<u>Audit Qualification (each audit qualification separately):</u>			
1.	a. Details of Audit Qualification: The company has not made provision for interest for delayed in payment to vendors during the previous period as per agreed terms with vendors. Also trade Payables are subject to confirmations. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.			
	b. Type of Audit Qualification: Qualified Opinion			
	c. Frequency of qualification: Appeared earlier in Annual Report for the year ended 31 st March, 2017 and 31 st March, 2018			
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Applicable			
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:			
	(i) Management's estimation on the impact of audit qualification: Not Applicable			
	(ii) If management is unable to estimate the impact, reasons for the same: As per the understanding reached with vendors, the Company has decided not to provide any interest on delayed payment due to financial constraints and closure of operation and during the year 2015-16 no such bill for interest has been raised by the vendors. Further, no legal action has also been taken by the vendors for not providing interest on delayed payment.			
	(iii) Auditors' Comments on (i) or (ii) above: In absence of vendor confirmations available with the company, we are not able to check the correctness and			



	completeness of the same, and hence impact of the same cannot be ascertained
2.	a. Details of Audit Qualification: not provided interest on unsecured inter-corporate loan of Rs.9,67,22,766 from related party and unsecured loan of Rs. 1,50,00,000/- 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. 1,15,84,464/- (PY Rs. 1,23,57,927/-)
	b. Type of Audit Qualification: Qualified Opinion
	c. Frequency of qualification: Appeared earlier in Annual Report for the year ended 31 st March, 2017 and 31 st March, 2018
	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 and lenders have recalled the loan and the loan accounts was declared NPA. The company has paid,OTS to the bankers and it is facing acute liquidity crunch and therefore unable to make any payment to its lenders at the moment and therefore no interest has been provided on above mentioned unsecured loans.
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: Not Applicable
3.	a. Details of Audit Qualification: The company has not provided depreciation of Rs. 47,39,059/- on building in absence of active use of premises at factory location.
	b. Type of Audit Qualification: Qualified Opinion
	c. Frequency of qualification: Appeared earlier in Annual Report for the year ended 31 st March, 2018
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: As the said assets were not used by the company for the year, the company has not provided depreciation for the same.
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: Not Applicable
III	<u>Signatories:</u>
	<ul style="list-style-type: none"> CEO/ Managing Director – U. Kanoria DIN: 00081109  CFO – M. Choudhary  Audit Committee Chair person – Zohra Tabassum DIN: 08103558  Statutory Auditor For B R Shah & Associates Firm Registration No. 129053W, Chartered Accountants Deval R Desai Partner Membership No. 132426 
	Date: May 30, 2019



Kanco Enterprises Limited

Regd. Office : 'Jasmine Tower', 3rd Floor, 31, Shakespear Sarani, Kolkata - 700017

Telefax: (+91 33)22815217, Email: Compliance@kanco.in, Website: www.kanco.in, CIN: L51909WB1991PLC053283

Statement of audited Financial Results for the Quarter and Year ended 31st March, 2019

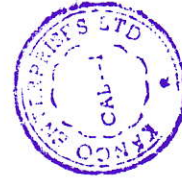
Sl. No.	Particulars	Standalone				(₹ in Lakhs)	
		Quarter Ended 31/03/2019	Quarter Ended 31/12/2018	Quarter Ended 31/03/2018	Year Ended 31/03/2019	Year Ended 31/03/2018	
1.	Total Income from Operations	31	28	6	191	15	
2.	Net Profit/(Loss) for the period before tax and exceptional items	(148)	(15)	(20)	(161)	(108)	
3.	Net Profit/(Loss) for the period before tax and after exceptional items	5195	(15)	(20)	5182	(108)	
4.	Net Profit/(Loss) for the period after tax and exceptional items	5,195	(15)	840	5182	(108)	
5.	Total Comprehensive Income for the period (Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (after tax)	5195	(15)	840	5182	(108)	
6.	Paid-up Equity Share Capital (Face value per shares ₹ 10/-)	1793	1793	1793	1793	1793	
7.	Other Equity	-	-	-	(3840)	(9022)	
8.	Earning Per Share (of ₹10/- each)						
a)	Basic	28.97	(0.08)	4.68	28.90	(0.60)	
b)	Diluted	28.97	(0.08)	4.68	28.90	(0.60)	

Note:

- The above is an extract of the detailed format of Quarterly Results filed with the Calcutta Stock Exchange Limited, under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The full format of the Quarterly Results along with Report of the Statutory Auditors are available on the Stock Exchange website: <http://www.cse-india.com> and on the Company website: <http://kanco.in>
- The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 30th May, 2019. The Statutory Auditors have audited this result as required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The figures for the corresponding previous period have been restated/regrouped wherever necessary, to make them comparable.

By the order of the Board

U. Kanoria
U. Kanoria
Chairman & Director
DIN : 00081108



Kolkata, the 30th May, 2019