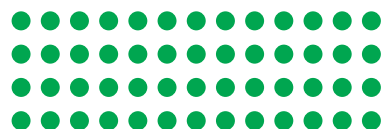




KANCO ENTERPRISES LIMITED



**Annual Report
& Accounts
for the year ended 31st March, 2025**



KANCO ENTERPRISES LIMITED

(CIN : L51909WB1991PLC053283)

Annual Report & Accounts 2024-2025

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BOARD OF DIRECTORS

Mr. U. Kanoria
Chairman & Managing Director

Mr. K. K. Gupta (Tenure complete on 12.08.2024)
Ms. Varsha Gupta
Mr. S. K. Chaurasia
Mr. G. Saraf (w.e.f. 30.05.2024)
Directors

COMPANY SECRETARY

Mrs. Manisha Gupta

CHIEF FINANCIAL OFFICER

Mr. Madanlal Sharma

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

C.B. Management Services (P) Ltd.
Corporate Office: Rasoi Court, 5th Floor,
20, R.N. Mukherjee Road, Kolkata - 700001
Phone: +91 33 6906 6200
E-mail: rta@cbmsl.com

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty Fourth (34th) Annual General Meeting (AGM) of Kanco Enterprises Limited will be held on Tuesday, 19th August, 2025 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, 2025 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.
3. **Re-appointment and Remuneration Payable to Mr. Umang Kanoria as the Managing Director of the Company**

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

"RESOLVED THAT pursuant to the provisions of Sections 196,197,203 and all the applicable provisions, if any, Schedule V of the Companies Act, 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended and such approvals, permissions and sanctions, as may be required, on the recommendation of the Nomination and Remuneration Committee of the Company, the approval of the Company be and is hereby accorded to the re-appointment of Mr. Umang Kanoria (DIN: 00081108) as the Managing Director of the Company for a period of three years with effect from 1st January, 2026 to 31st December, 2028, without remuneration and he shall have the right to manage the day to day business and affairs of the Company subject to the superintendence, guidance, control and direction of the Board of Directors of the Company."

RESOLVED FURTHER THAT Mr. Umang Kanoria (DIN: 00081108) shall have the right to exercise such powers of Management of the Company as may be delegated to him by the Board of Directors, from time to time."

"RESOLVED FURTHER THAT the Board of Directors of the Company and/or Company Secretary of the Company be and is hereby authorised severally to take all such steps as it may consider necessary, proper or expedient to give effect to the aforesaid 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, the applicable provisions 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 basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the Shareholders 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 2025-2026 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 Shareholders 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.”

5. Appointment of M/s. LABH & LABH Associates, Company Secretaries, as Secretarial Auditor of the Company:

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

“RESOLVED THAT pursuant to the provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Section 204 of the Companies Act, 2013 (“the Act”) and the rules made thereunder and other applicable provisions, if any, of the Act, M/s. LABH & LABH Associates, Company Secretaries (FIRM Registration No. : P2025WB105500) be and are hereby appointed as Secretarial Auditor of the Company, for a period of five consecutive financial years, i.e., 2025-2026 to 2029-2030, at such remuneration as may be decided by the Board of Directors of the Company in consultation with the Secretarial Auditor of the Company.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to decide and/or alter the terms and conditions of the appointment including the remuneration for subsequent financial years as it may deem fit.”

Registered Office:

Jasmine Tower, 3rd Floor
31, Shakespeare Sarani, Kolkata – 700017
CIN: L51909WB1991PLC053283
Telefax: (033) 22815217
Website: www.kanco.in
Dated: 30th May, 2025

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

Manisha Gupta
Company Secretary
Membership No.: ACS47310

NOTES:

- I. The Ministry of Corporate Affairs, Government of India ('MCA') has vide its circular no. 9/2024 dated 19 September 2024, read with general circulars no. 14/2020 dated 8 April 2020, no. 17/2020 dated 13 April 2020, no. 20/2020 dated 5 May 2020 (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') has vide its circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 3 October 2024 read with its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May 2020 (collectively referred to as 'SEBI Circulars'), permitted the holding of the Annual General Meeting ('AGM' or 'Meeting') through Video Conferencing facility / Other Audio Visual Means ('VC/OAVM'), on or before 30 September 2025, without the physical presence of the shareholders at a common venue. In compliance with the provisions of the Companies Act, 2013 ('the Act'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and MCA & SEBI Circulars, the 34th AGM of the Company is being held through VC/OAVM.
- 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 or the Company at aklabhcs@gmail.com with copies marked to the Company at compliance@kanco.in and to its RTA at rta@cbmsl.com.

Notice (Contd.)

- 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 5 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 - A)
- 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, 13th August, 2025 to Tuesday, 19th August, 2025 (both days inclusive) for the purpose of 34th Annual General Meeting.
- IX. SEBI, vide its circular dated 3rd November, 2021 (subsequently amended by circulars dated 14th December, 2021, 16th March, 2023 and 17th November, 2023) mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any dividend payment in respect of such folios, only through electronic mode with effect from 1st April, 2024, only upon furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.
- 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. C B Management Services (P) Ltd. 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.

- XI. 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

Notice (Contd.)

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 Exchange 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.

- XII. 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.
- XIII. 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.
- XIV. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agent. Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant only and not to the Company or the Company's Registrar and Share Transfer Agent.
- XV. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>).
- XVI. Notice of the 34th AGM along with the Annual Report for the year 1st April 2024 to 31st March, 2025, 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, ('SEBI Listing 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 CB Management Services (P) Ltd, Registrar & Share Transfer Agent (RTA) of the Company.
- XVII. 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.
- XVIII. 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.

Notice (Contd.)**XIX. 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 Thursday, 14th August, 2025 (9:00 a.m. IST) and end on Monday, 18th August, 2025 (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, 12th August, 2025 may cast their vote 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, 12th August, 2025.
- 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, 12th August, 2025 may obtain the login ID and password by sending a request at compliance@kanco.in/rta@cbmsl.com.
- f. Mr. A.K. Labh, Practicing Company Secretary (FCS – 4848 / CP-3238) (Address: A.K. Labh & Co, 40, Weston Street, 3rd Floor, Kolkata - 700013) 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.

Notice (Contd.)

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<p>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.</p> <p>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.</p> <p>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.</p>
Individual Shareholders holding securities in demat mode with NSDL Depository	<p>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.</p> <p>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</p> <p>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</p>

Notice (Contd.)

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL Depository	<p>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.</p> <p>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.</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	<p>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.</p>

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.

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.**

Notice (Contd.)

- 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:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> 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)	<p>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.</p> <ul style="list-style-type: none"> 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. 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.

Notice (Contd.)

- (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.

Notice (Contd.)

- 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 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.

Notice (Contd.)

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, 28th July, 2025 (9:00 a.m. IST) to Monday, 11th August, 2025 (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.

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 48 hours 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., 19th August, 2025.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**Item 3**

Mr. Umang Kanoria (DIN:00081108), born on 2nd November, 1959, is a Commerce Graduate with Honours from St. Xavier's College, Kolkata and an Associate Member of the Institute of Cost Accountants of India. He also holds a Masters in Business Administration from International Institute for Management Development, Switzerland. He has vast experience in Tea and Textile Industry and has served as past president of Indian Chamber of Commerce and Tea Associations of India. He is pivotal for achieving a negotiated settlement with the bankers and then shaping the future growth and efficient management of the Company.

Mr. U. Kanoria holds directorship/committee membership in the following Public Companies in addition to his directorship in Kanco Enterprises Limited: -

1. Kanco Tea & Industries Limited
2. Saregama India Limited
3. PCBL Chemical Limited
4. Spencer and Company Limited

Notice (Contd.)

5. Woodlands Multispeciality Hospital Limited
6. Winnow Investments and Securities Private Limited

Committee Positions

SI No.	Name of Company	Nature of Office
1.	Kanco Enterprises Limited	Chairman- Share Transfer Committee Member- Stakeholders Relationship Committee Member- Finance and Investment Committee
2.	Kanco Tea & Industries Limited	Chairman- Share Transfer Committee Member- Stakeholders Relationship Committee Chairman- CSR Committee Member- Finance and Investment Committee
3.	Saregama India Limited	Chairman- Audit Committee Member- Nomination and Remuneration Committee Member- Stakeholders Relationship Committee Member- CSR Committee Member- Independent Directors' Committee
4.	Woodlands Multispeciality Hospital Limited	Member- Audit Committee Chairman- Nomination and Remuneration Committee

Mr. Kanoria was reappointed as the Managing Director of the Company with effect from 1st January, 2023 for a period of 3 years and his tenure would expire on 31st December, 2025. He is holding 4008929 number of equity shares in the Company.

Considering his vast experience in Textile Industry and his long association with the Company, the Board of Directors of the Company in its meeting held on 30th May, 2025 has reappointed Mr. U. Kanoria as the Managing Director of the Company for a further period of 3 (three) years w.e.f. 1st January, 2026 without remuneration as recommended by the Nomination and Remuneration Committee and on such terms and conditions, as mentioned in the draft agreement, to be entered into between the Company and Mr. Kanoria, subject to approval of the Shareholders.

The abstract of the terms and conditions governing the reappointment of Mr. Kanoria as the Managing Director of the Company is as under:

- (a) Tenure: 1st January 2026 to 31st December, 2028
- (b) Remuneration: Nil
- (c) The Managing Director shall have the rights to manage the day-to-day business and affairs of the Company subject to the superintendence, guidance, control and direction of the Board of Directors of the Company.
- (d) The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- (e) The Managing Director shall not be liable to determination by retirement of directors by rotation in accordance with the provisions of Section 152 of the Companies Act, 2013 read with rules made thereunder.

Notice (Contd.)

- (f) The Managing Director shall adhere to the Company's Code of Conduct & Ethics for Directors and Management Personnel.
- (g) The Managing Director and the Company shall have the rights to terminate the appointment by giving six months' notice in writing to the other.

Mr. Kanoria shall not be paid any sitting fee for attending the meeting of the Board of Directors or any committee thereon.

A statement containing the requisite information in accordance with the requirement of Section II of Part II of Schedule V to the Companies Act, 2013 is also attached to this notice.

Mr. Kanoria is interested in the resolution set out at item No. 3 which pertains to his re-appointment as the Managing Director of the Company. The relatives of Mr. U. Kanoria shall be deemed interested in the resolution set out at item No. 3 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No.3 of the Notice.

The Board therefore, recommends the Resolution to be passed as Special Resolution by the Shareholders.

Item No-4

Pursuant to the amended Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the threshold limit for determination of Material Related Party Transactions is the lower of Rs. 1,000 crores (Rupees One thousand crores) or 10% (ten percent) of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity and such material related party transactions exceeding the limits, would require prior approval of Shareholders by means of an Ordinary Resolution.

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 FY 2025-2026 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.

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.

Information required to be disclosed in the Explanatory Statement for Item No. 4 pursuant to the SEBI Master Circular No. SEBI/ HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

Notice (Contd.)

Sl.	Description	Particulars
1.	Name of the related party	Umang Kanoria
2.	Nature of relationship [including nature of its interest (financial or otherwise)]	Promoter-Chairman and Managing Director
3.	Type of the proposed transaction	Ordinary
4.	Nature, duration/tenure, material terms, monetary value and particulars	366 days at nil interest
5.	Particulars of the proposed transaction	Unsecured
6.	Tenure of the transaction	366 days
7.	Value of the proposed transaction	Rs. 25,00,000/-
8.	Percentage of Kanco Enterprises Limited's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction.	Nil
9.	Justification of the proposed transaction	The loan will be utilized to meet the operating expenses of the company.
10.	Details of the valuation report or external party report (if any) enclosed with the Notice	Not Applicable
11.	Name of the Director or Key Managerial Personnel, who is related	Not Applicable
12.	Following additional disclosures to be made in case of loans, inter-corporate deposits, advances or investments made or given	
A.	Source of funds	Own Source
B.	In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment • Nature of indebtedness • cost of funds and • tenure	Not Applicable
C.	Terms of the loan, inter-corporate deposits, advances or investment made or given (including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security)	Not Applicable
D.	the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	To meet the operating Expenses of the company
13.	Any other relevant information	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

Item No-5

Securities Exchange Board of India (SEBI) vide SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 dated December 12, 2024 has mandated appointment or re-appointment of an audit firm registered with the Institute of Company Secretaries of India as Secretarial Auditor for not more than two (2) terms of five (5) consecutive years with the approval of its shareholders in its Annual General Meeting w.e.f. April 1, 2025. Any association of the individual or the firm as the Secretarial Auditor of the listed entity before 31st March, 2025 shall not be considered for the purpose of calculating the

Notice (Contd.)

tenure under 24A(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

Pursuant to the above requirement, the Board of Directors of the Company vide its meeting held on 30th May, 2025 has appointed "LABH & LABH Associates", Company Secretaries (FRN . : P2025WB105500) as Secretarial Auditor of the Company for a period of five consecutive financial years, i.e., 2025-2026 to 2029-2030 in terms of Regulation 24A of the Listing Regulations and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/CIR/P/ 2024/185 dated December 31, 2024 ("SEBI Circular") read with provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The firm has consented to the said appointment, and confirmed that their appointment, if made, would be within the limits specified under the Act. They have further confirmed that they are eligible for the proposed appointment as Secretarial Auditors of the Company and has not incurred any of the disqualifications as specified vide the said SEBI Circular.

Brief Profile & Credentials

"LABH & LABH Associates" is a firm of Practicing Company Secretaries registered with the Institute of Company Secretaries of India. The firm is engaged in rendering services related to company law, SEBI matters, capital markets, corporate restructuring, business planning and other gamut of corporate affairs.

The Firm comprises of competent team members and associates having expertise in legal, secretarial, financial and other allied subjects. The Firm leverages a modern infrastructure, competent staff and a network of associates across India to meet the dynamic evolving needs of the corporate world. All the partners of the firm are having the Peer Review Certificate from the Institute of Company Secretaries of India.

Terms of Appointment

Appointment is proposed for a period of five consecutive financial years, i.e., 2025-2026 to 2029-2030, subject to approval of the shareholders of the Company in the forthcoming 42nd Annual General Meeting of the Company, as Secretarial Auditor of the Company at a remuneration of Rs. 1,50,000/- (Rupees One Lakh Fifty Thousand only) plus out of pocket expenses at actuals, for each financial year subject to revision as mutually agreed between the Board and the Auditors in due course during the tenure of appointment. The proposed fee is based on knowledge, expertise, industry experience, time and efforts required to be put in by them, which is in line with the industry benchmarks.

Considering the expertise and profile of the firm, the resolution for appointment of the firm is proposed for approval of the members of the Company.

None of the Directors or Key Managerial Personnel and/or their relatives in any way, financially or otherwise, is interested or deemed to be interested in the proposed resolution.

The Board recommends the Resolution to be passed as Ordinary Resolution by the Members.

Annexure - B

STATEMENT CONTAINING INFORMATION AS REQUIRED UNDER SECTION II (B) (iv) OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013 AND FORMING PART OF THE NOTICE OF 34TH ANNUAL GENERAL MEETING

I. GENERAL INFORMATION:

Notice (Contd.)**(1) Nature of Industry**

Manufacturer of Cotton Yarn

(2) Date or expected date of commencement of commercial production

The MAPLE division of Bengal Tea & Fabrics Limited was transferred to the Company under a Scheme of Arrangement approved by the Hon'ble High Court at Calcutta in 1997-1998. After the demerger, the Company changed its name from Tuscon Resources Limited (being operational since 1991) to Kanco Enterprises Limited with effect from 11th June, 1998.

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable**(4) Financial performance based on given indicators**

Amount (Rs.) in Lakhs

Financial Year ended	31.03.2025	31.03.2024
Gross Sales & Other Income	-	0.47
Profit before Tax	(19.62)	(17.90)
Profit After Tax	(19.62)	(17.90)
Equity Share Capital	1793.04	1793.04
Reserves & Surplus (excluding revaluation reserve)	(2111.03)	(2091.41)
Net Worth	(317.99)	(298.37)

(5) Export performance and net foreign exchange collaborations:

Amount (Rs.) in Lakhs

Financial Year ended	31.03.2025	31.03.2024
Foreign Exchange Earnings	-	-
Foreign Exchange Outgo	-	-

(6) Foreign Investments or collaborators, if any: Not Applicable.**II. INFORMATION ABOUT THE APPOINTEE: Mr. Umang Kanoria****1) Background details:**

Mr. Umang Kanoria (DIN:00081108), an Associate Member of the Institute of Cost Accountants of India (now known as ACMA) has vast experience in Tea and Textile Industry and has served as past Joint Managing Director of Bengal Tea & Fabrics Limited and past President of Indian Chamber of Commerce and former Chairman of Tea Association of India. Under his leadership the tea business of Bengal Tea & Fabrics Limited and Kanco Tea & Industries Ltd. reached new heights. He has completed his B. Com (Hons.) from St. Xavier's College, Kolkata, ACMA (formerly AICWA) and MBA from International Institute for Management Development, Switzerland. He is pivotal for enhancing the performance, efficient management and future growth of the Company. He has over 33 years of experience in Tea and Textile business.

2) Past remuneration

Mr. Umang Kanoria was appointed as Managing Director of the Company at Nil remuneration from 1st January, 2023 for a period of 3 years and his tenure would expire on 31st December, 2025.

3) Recognition

Mr. Umang Kanoria is an imminent industrialist. He was past President of Indian Chamber of Commerce and former Chairman of Tea Association of India.

Notice (Contd.)**4) Job Profile and his suitability**

Mr. Kanoria as a Director of the Company has contributed to the strategy and areas impacting company performance. His financial and management skills and robust knowledge in Tea Industry along with better understanding of Company's structure and policies has played a pivotal role in the Company's growth.

5) Remuneration proposed

As referred in the Explanatory Statement (item no. 3) of the Notice.

6) Comparative remuneration Profile with respect to industry, size of the company, profile of the position and person

Mr. U. Kanoria will be paid Nil remuneration and therefore comparison is not required.

7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any

Mr. Umang Kanoria has no pecuniary relationship with the Company other than his remuneration as Managing Director and member/promoter of the Company. Relationships by way of Indian Accounting Standard (Ind AS-24) are disclosed in the Annual Report.

III. Other information:**(1) Reasons of loss or inadequate profits**

The Company has shut down its operation in September, 2015 and has disposed of Land & Building and machineries at Valthera. Mr. U. Kanoria will be paid Nil remuneration and therefore inadequate profits won't be an issue.

(2) Steps taken or proposed to be taken for improvement

It's not required as Mr. U. Kanoria will be paid Nil remuneration.

(3) Expected increase in productivity and profits in measurable terms

It's not required as Mr. U. Kanoria will be paid Nil remuneration.

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	Mr. Umang Kanoria
DIN	08453443	00081108
Date of Birth and Age	17th January, 1983, 42 years	2nd November, 1959, 66 years
Date of first Appointment on the Board	15th May, 2019	8th July, 1997
Qualifications	M.B.A, B.Com	B.Com (Hons.), ACMA, M.B.A.
Category	Non-Executive	Executive
Nature of Expertise in functional areas	Mr. Sanjay Kumar Chaurasia holds Master in Business Administration and Bachelor of Commerce degree. He has 18 years of experience in the field of Accounts, Indirect Tax and Marketing.	Has rich experience in Textile and Tea industry and has served as past president of Indian Chamber of Commerce and Tea Association of India. He is at present member of the Committees in Indian Tea Association and Tea Association of India.
Number of Meetings of the Board attended during the year	4(Four)	4(Four)

Notice (Contd.)

Particulars	Mr. Sanjay Kumar Chaurasia	Mr. Umang Kanoria
List of Directorships of other Board, including listed entities	Nil	Public Companies: 1. Kanco Tea & Industries Limited 2. PCBL Chemical Limited 3. Saregama India Limited 4. Spencer & Company Limited 5. Winnow Investments and Securities Private Limited 6. Woodlands Multispeciality Hospital Limited Private Companies: 1. E.T. Resources Private Limited 2. Cosmos Resources Private Limited 3. Kanco Speciality Packaging Private Limited
Names of other listed entities from which the person has resigned in the past three years	Nil	Stel Holdings Limited
List of Membership/Chairmanship of Committees of other Board	Nil	Kanco Tea & Industries Limited Chairman- Share Transfer Committee Member- CSR Committee Member- Stakeholders Relationship Committee Chairman- Finance and Investment Committee Saregama India Limited Chairman- Audit Committee Member- Nomination and Remuneration Committee Member- Stakeholders Relationship Committee Member- CSR Committee Member- Independent Directors' Committee Woodlands Multi speciality Hospital Limited Member- Audit Committee Chairman- Nomination and Remuneration Committee
Number of shares held by him in Enterprises Limited: Equity a) Own b) Beneficial basis Preference	Nil Nil N.A.	4008929 Nil N.A.
Relationship with any Director(s) and KMPs of the Company	Nil	Nil
Skills and capabilities for the role of Independent Director and how he/she meets such requirements	N.A.	N.A

Registered Office:

Jasmine Tower, 3rd Floor
31, Shakespeare Sarani, Kolkata – 700017
CIN: L51909WB1991PLC053283
Telefax: (033) 22815217
Email: compliance@kanco.in
Website: www.kanco.in
Dated: 30th May, 2025

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

Manisha Gupta
Company Secretary
Membership No.: ACS47310

DIRECTORS' REPORT

Dear Members,

The Directors of the Company present their 34th Annual Report and Company's Audited Financial Statement for the year ended 31st March, 2025.

FINANCIAL PERFORMANCE

Your Company's financial performance was as follows:

Rs. in Lakhs

Particulars	31st March 2025	31st March 2024
Profit before Interest, Depreciation, Exceptional Items and Tax	(18.50)	(16.79)
Less: Interest	-	-
Profit before Depreciation, Exceptional Items and Tax	(18.50)	(16.79)
Less: Depreciation	1.12	1.12
Profit before Exceptional Items and Tax	(19.62)	(17.90)
Exceptional Items	-	-
Profit before Tax	(19.62)	(17.90)
Less: Provision for Tax	-	-
Profit / (Loss) After taxation	(19.62)	(17.90)
Balance Brought Forward from last Account	(4227.94)	(4210.03)
Balance Carried to Balance Sheet	(4247.55)	(4227.94)

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 loss of 19.62 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 has started disposing off its plant & machinery. 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.96.12 Lakhs as on 31st March 2025.

Dividend

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

Transfer to Reserves

During the year under review, NIL amount was transferred to Reserves.

Directors' Report (Contd.)**Share Capital**

As on 31st March, 2025, 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.

Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2025 is available on the Company's website on www.kanco.in/annualsreport.html

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. Gourav Saraf (DIN: 08204851) was appointed as an Independent Director of the Company, for a period of 5 consecutive years with effect from 30th May, 2024 to 29th May, 2029, not liable to retire by rotation. Subject to the approval of the Members at the ensuing Annual General Meeting, the Board on recommendation of the Nomination and Remuneration Committee has proposed to reappoint Mr. Umang Kanoria, holding (DIN: 00081108) as Managing Director of the Company for a period of 3(three) years.

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.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidance note on Board Evaluation issued by SEBI on 5th January, 2017, and on the recommendation of the Nomination and Remuneration Committee of the Company a structured questionnaire was prepared after taking into consideration the various aspects of the Boards' functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations. The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings wherein adequate opportunity is given to the members to share their views, effective contribution in Board's decision by recommendations made by Committee etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, Communication and contribution in the discussions in a positive and constructive manner impacting company performance etc.

At the board meeting the performance of the Board, its Committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated. The Nomination and Remuneration Committee also reviewed its implementation of the said policy and its compliance. The Board of Directors expressed their satisfaction with the evaluation process.

Directors' Report (Contd.)

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%20Remuneration%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
- c) Mr. Madanlal Sharma, Chief Financial Officer

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, CSR Committee, Share Transfer Committee and Stakeholder Relationship Committee in compliance with the provisions of the Companies Act, 2013 read with rules related thereto and Securities 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, 2025, 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, 2025 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;

Directors' Report (Contd.)

- 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. However, no cases of fraud were reported by Statutory Auditors during the financial year under review. The Statement on Impact of Audit Qualification as stipulated in Regulation 33(3) (d) is annexed herewith marked as Annexure A to this report.

Qualified Opinion

The Company 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. 872.19 thousand (P.Y. Rs.864.23 thousand).

The Company has shut down its operation in September, 2015. The proceeds out of land and building at Valthera and Machineries have been utilized for payment of OTS to secured lenders and unsecured lenders. The Company is facing acute liquidity crunch unable to make any payment to its lenders at the moment. The Company has therefore not provided any on unsecured loans.

Secretarial Auditor

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 had appointed Mr. Asit Kumar Labh, Practicing Company Secretary (C.P No.14664) to undertake the Secretarial Audit of the Company for the Financial Year 2024-2025.

Secretarial Audit Report

The Report of Secretarial Audit in form MR-3 in accordance to Section 204 of Companies Act, 2013 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015 for the financial year ended 31st March, 2025 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.

Directors' Report (Contd.)

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 2025-2026 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 http://kanco.in/pdf/Codes_Policies/Policy%20on%20dealing%20with%20related%20party%20transactions%20and%20materiality%20of%20related%20party%20transactions.pdf.

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.

Directors' Report (Contd.)**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.

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.

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, Practicing Company Secretary, regarding compliance with the conditions of Corporate Governance is annexed herewith marked as Annexure F to this report.

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 <http://kanco.in/pdf/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.

Directors' Report (Contd.)**Stock Exchange**

The Company's equity shares are listed at the Calcutta Stock Exchange Limited (Scrip Code-21381). Listing Fees for the financial year 2024-2025 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:

No. of Complaints pending as on 1st April, 2024: Nil

No. of Complaints received: Nil

No. of Complaints Disposed of: Nil

No. of cases pending as on 31st March, 2025: 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	a) Mr.Umang Kanoria ^a - MD – N.A. b) Ms. Varsha Gupta - N.A. Mr. Krishna Kumar Gupta ^b N.A. } # Mr. Sanjay Kumar Chaurasia - N.A. Mr.Gourav Saraf – N.A.
(ii)	The percentage increase in remuneration of each Director, Company Secretary and Chief Financial Officer	<u>Directors:</u> Mr.Umang Kanoria- MD - N.A. Ms.Varsha Gupta – N.A. Mr.Krishan Kumar Gupta - N.A. Mr.Sanjay Kumar Chaurasia - N.A. Mr.Gourav Saraf – N.A. <u>Key Managerial Personnel</u> 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

Directors' Report (Contd.)

Sl. No.	Particulars	Details
(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, 2025 is as per the Remuneration Policy of the Company

- a. No salary is paid to Mr. Umang Kanoria.
- b. * Mr. Krishna Kumar Gupta ceased to be Director w.e.f. 12.08.2024 due to end of tenure.
- c. 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.

Note- Liability for gratuity and leave encashment as required by Indian Accounting Standard 19 (Ind AS-19) is provided on actuarial valuation report for the Company as a whole. The amount pertaining to individual employee is not ascertainable and therefore not included in the above calculation.

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, 2025 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.

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.

Place: Kolkata

Dated: 30th May, 2025

For and on behalf of the Board of Director

U. Kanoria
Chairman & Managing Director
2025DIN: 00081108

Directors' Report (Contd.)**Annexure A****Statement on Impact of Audit Qualifications for the year ended on 31st March, 2025**

(₹ in thousand)

I	SI No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. in '000)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs. in '000)
	1.	Turnover/Total Income	0.00	0.00
	2.	Total Expenditure	1961.87	2834.06
	3.	Net Profit/(Loss)	(1961.87)	(2834.06)
	4.	Earnings Per Share	(0.11)	(0.16)
	5.	Total Assets	20587.64	178.07
	6.	Total Liabilities	52386.39	135479.68
	7.	Net Worth	(31798.75)	(135301.61)
II	Audit Qualification (each audit qualification separately):			
1.	a.	Details of Audit Qualification: not provided interest on unsecured inter-corporate loan of Rs.9612 received from non-related party. Amount of the Interest for the current year on the said loan as per last agreed rate with the parties is Rs. 872.19 (P.Y. Rs. 864.23)		
	b.	Type of Audit Qualification: Qualified Opinion		
	c.	Frequency of qualification: Appeared earlier in Annual Report for the year ended 31st March, 2017, 31st March, 2018, 31st March, 2019, 31st March, 2020, 31st March, 2021, 31st March, 2022, 31st March, 2023 and 31st March,2024.		
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: The Company has shut down its operation in September, 2015. The proceeds out of land and building at Valthera and Machineries have been utilized for payment of OTS to secured lenders and unsecured lenders. The Company is facing acute liquidity crunch unable to make any payment to its lenders at the moment. The Company has therefore not provided any on unsecured loans.		
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor: Not Applicable		
III	Signatories:			
1.	•	Chairman & Managing Director – U. Kanoria		
	•	CFO – Madanlal Sharma		
	•	Audit Committee Chair person – Varsha Gupta		
	•	Statutory Auditor For Jain & Co. Chartered Accountants Firm Registration No. 302023E CA. M.K. Jain Partner		
	Date: May 30, 2025			

Directors' Report (Contd.)**Annexure B****SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2025**

[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

I 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 – 700017, West Bengal (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31.03.2025 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. My 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 me during the said audit and also based on the information furnished to me by the officers' and the agents of the Company during the said audit.

I have followed the audit practices and processes as were appropriate to the best of my 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. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.

I 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. I 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 respective committees of the Board, 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 I 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 My examination was limited to the verification & compliance procedures on test basis. My report is neither an assurance as

Directors' Report (Contd.)

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.

I report that, I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2025 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;
- (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:
 - (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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that, having regard to the compliance system prevailing in the Company, my examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to me by the Company and its management and to the best of my judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of my 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 (Buyback of Securities) Regulations, 2018;
- (ii) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) 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 (Delisting of Equity Shares) Regulations, 2021.

Directors' Report (Contd.)**I further report that:**

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

I further report that:

- (a) The Company's operation has been shut down since 30.09.2015.
- (b) 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, 2025 submitted with the Stock Exchange due to non-updation of data by the respective Bank.
- (c) 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.

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

Place: Kolkata
Dated: 30.05.2025

(Asit Kumar Labh)
Practicing Company Secretary
ACS – 32891 / C.P. No. – 14664
UDIN : A032891G000554027

Annexure – A

To,
The Members,
Kanco Enterprises Limited

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
- 2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

Directors' Report (Contd.)

1. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
2. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
3. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
4. 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.

(Asit Kumar Labh)

Practicing Company Secretary

ACS – 32891 / C.P. No. – 14664

UDIN : A0322891G000554027

Place: Kolkata

Dated: 30.05.2025

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 2023-2024. 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

Directors' Report (Contd.)**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: 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) Date(s) of approval by the Board, if any: Not Applicable
- (f) Amount paid as advances, if any: Not Applicable

For and on behalf of the Board of Directors

Place: Kolkata
Dated: 30th May, 2025

U. Kanoria
Chairman & Managing Director
DIN: 00081108

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

Directors' Report (Contd.)**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 Directors

U. Kanoria*Chairman & Managing Director*

DIN: 00081108

Place: Kolkata

Dated: 30th May, 2025

Annexure E**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

a) Industry structure and developments: India's cotton spinning industry grow by 5 to 6 per cent in financial year 2024-2025. The country's yarn exports declined on account of exceptionally high cotton production in China, and the unrest in Bangladesh. There was also increase in domestic demand from apparel and home textile manufacturers.

b) Opportunities & Threats: India is also the second largest producer of cotton, accounting for 23-24 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 2024 to March 2025	April 2023 to March 2024	% Change
Production of Cotton Yarn	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	(19.62)	(17.90)	(9.61)

d) Outlook: The outlook for cotton yarn spinning industry looks positive with a rebound in exports and favorable domestic demand are expected to drive India's cotton yarn. Uptick in volumes will primarily drive a 7-9% revenue growth in the current fiscal, supported by modest increase in yarn prices. Operating margins, after witnessing a recovery last fiscal, are expected to see

Directors' Report (Contd.)

further uptick of 50-100 bps this fiscal, owing to stable cotton yarn spreads. The primary driver for the revenue uptick in fiscal 2026 will be the rebound in yarn exports to China. However, prices are expected to taper as cotton yarn realisations remain unsustainable at current levels, which may affect demand

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 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.(19.62) lakhs as compared to profit of Rs.(17.90) 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, 2025 was 3 compared to 3 as on 31st March, 2024.

i) Details of Significant Changes in Key Financial Ratios

Sl.	Key Financial Ratios	2023-24	2022-23	Difference
1.	Debtors Turnover	-	-	N.A.
2.	Inventory Turnover	-	-	N.A.
3.	Interest Coverage Ratio	-	-	N.A.
4.	Current Ratio	0.31	0.32	(3.00)%
5.	Debt Equity Ratio	(0.30)	(0.26)	18.00%
6.	Operating Profit Margin Ratio	-	(37.95)	(100.00)%
7.	Net Profit Margin Ratio	-	(37.95)	(100.00)%
8.	Return on Networth	0.06	0.06	0.00%

Notes on significant changes in financial ratios, where change is more than 25%: The change in ratio resulted from nil turnover during the year under review.

Directors' Report (Contd.)**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 Directors

Place: Kolkata

Dated: 30th May, 2025

U. Kanoria

Chairman & Managing Director

DIN: 00081108

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, 2025:

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, 2025		Attendance at previous AGM on 12/8/2024	No. of Board Meetings attended
			Member	Chairman	Name of Listed Entity	Category of Directorship		
Mr. Umang Kanoria DIN: 00081108	Promoter-Chairman and Managing Director	6	4	1	PCBL Chemical Limited	Non-Executive Independent Director	Yes	4
					Saregama India Limited	Non-Executive Independent Director		
					Kanco Tea & Industries Limited	Promoter-Chairman and Managing Director		

Directors' Report (Contd.)

Mr. Sanjay Kumar Chaurasia DIN: 08453443	Non-Executive Director	-	-	-	-	-	Yes	4
Ms. Varsha Gupta DIN: 09047421	Non-Executive Independent Director	-	-	-	-	-	Yes	4
Mr. Gourav Saraf * DIN: 08204851	Non-Executive Independent Director	1	1	1	Veefin Soluitons Limited	Non-Executive Independent Director	Yes	3
Mr. Krishna Kumar Gupta# DIN: 06657407	Non-Executive Independent Director	-	-	-	-	-	Yes	2

^Directorship of Public Limited Companies and deemed Public Companies only.

#Chairmanship/Membership of Audit Committee & Stakeholders Relationship Committee only

*Mr. Gourav Saraf was appointed as Non-Executive Independent Director on 30.05.2024

Mr. Krishna Kumar Gupta ceased to be Director w.e.f. 12.08.2024 due to end of tenure.

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.

The detail of Familiarisation Programme imparted to Independent Directors can be viewed at [http://kanco.in/pdf/Familiarisation%20Programme%20under%20Regulation%2025\(7\)%20of%20SEBI\(LODR\)Regulations,%202015.pdf](http://kanco.in/pdf/Familiarisation%20Programme%20under%20Regulation%2025(7)%20of%20SEBI(LODR)Regulations,%202015.pdf)

Meetings of the Board

During the year 2024-2025, the Board of Directors met 4(four) times on the following dates: 30.05.2024, 09.08.2024, 14.11.2024 and 10.02.2025.

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 reappointment

Mr. Sanjay Kumar Chaurasia (DIN: 08453443) is retiring by rotation and being eligible offers himself for reappointment. The Board of

Directors' Report (Contd.)

Directors on recommendation of the Nomination and Remuneration Committee had approved the reappointment of Mr. Umang Kanoria (DIN: 000811108) as the Managing Director of the Company for 3(three) years, subject to approval of the shareholders. Details of the Directors to be appointed / reappointed have been provided in the Notice of the 34th 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, 2025. 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 19th February, 2025, without presence of Non-Independent Directors and the Management. The Meeting was attended by all the Independent Directors of the Company.

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 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.

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;

Directors' Report (Contd.)

- 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;

Directors' Report (Contd.)

- 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;
- 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(7).

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

Directors' Report (Contd.)

Name of Directors	Attendance at the Meeting				
	26.04.2024	30.05.2024	09.08.2024	14.11.2024	10.02.2025
Ms. Varsha Gupta	Present	Present	Present	Present	Present
Mr. Gourav Saraf**	-	-	-	Present	Present
Mr. Sanjay Kumar Chaurasia	Present	Present	Present	Present	Present
Mr. Krishna Kumar Gupta*	Present	Present	Present	-	-

* Mr. Krishna Kumar Gupta ceased to be Director w.e.f. 12.08.2024 due to end of tenure.

** Mr. Gourav Saraf was inducted in the committee w.e.f. 09.08.2024

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 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;
- 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;

Directors' Report (Contd.)

- 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	
	26.04.2024	28.05.2024
Ms. Varsha Gupta	Present	Present
Mr. Sanjay Kumar Chaurasia	Present	Present
Mr. Krishna Kumar Gupta*	Present	Present
Mr. Gourav Saraf**	-	-

* Mr. Krishna Kumar Gupta ceased to be Director w.e.f 12.08.2024 due to end of tenure.

**Mr. Gourav Saraf was inducted in the committee w.e.f 09.08.2024

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 remuneration 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, 2024 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	-	-	-	01.01.2023 to 31.12.2025 6 months	4008929
Mr. Krishna Kumar Gupta	20000	-	20000	-	-
Mr. Sanjay Kumar Chaurasia	40000	-	40000	-	-
Ms. Varsha Gupta	40000	-	40000	-	-
Mr. Gourav Saraf	30000	-	30000	-	-

Currently, the Company does not have any stock option scheme.

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.

Directors' Report (Contd.)

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:

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.

Directors' Report (Contd.)**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 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.

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

Directors' Report (Contd.)

- 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 Director and Mr. Umang Kanoria, 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.

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

Directors' Report (Contd.)

- 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	
	26.04.2024	11.03.2025
Ms. Varsha Gupta**	-	Present
Mr. Umang Kanoria	Present	Present
Mr. Krishna Kumar Gupta*	Present	-
Mr. Sanjay Kumar Chaurasia	Present	Present

* Mr. Krishna Kumar Gupta ceased to be Director w.e.f. 12.08.2024 due to end of tenure.

**Ms. Varsha Gupta was inducted in the committee w.e.f. 09.08.2024

During the year 2024-2025, the Company has received NIL complaints from the Shareholders. The status of Investor Complaints with the regulatory authorities is as follows:

SI No.	Investor Complaints	Number
1.	Investor Complaints received during the year	Nil
2.	Investor Complaints resolved till 31st March 2025	Nil
3.	Investor Complaints not solved to the satisfaction of the members	Nil
4.	Complaints pending as at 31st March, 2025	Nil

6. Share Transfer Committee

Board of Directors has delegated power of approving transmission/ Remat/Demat of shares, to a Share Transfer Committee. The Share Transfer Committee of the Board of Directors consists of the Directors namely, Mr. Umang Kanoria- Managing Director, Ms. Varsha Gupta- Non-Executive Independent Director and Mr. Sanjay Kumar Chaurasia, Non-Executive Director. Mr. Umang Kanoria is the Chairman of the Share Transfer Committee. The Board of Directors in their meeting held on 30th May, 2025 had dissolved the Share Transfer Committee with immediate effect. The scope of work of the said committee will be carried out by Stakeholders' Relationship Committee.

Directors' Report (Contd.)

Attendance at and date of Share Transfer Committee meeting held are as follows:

Name of Directors	Attendance at the Meeting
	26.04.2024
Mr. Umang Kanoria	Present
Mr. Krishna Kumar Gupta*	Present
Mr. Sanjay Kumar Chaurasia	Present
Ms. Varsha Gupta**	-

* Mr. Krishna Kumar Gupta ceased to be Director w.e.f. 12.08.2024 due to end of tenure.

**Ms. Varsha Gupta was inducted in the committee w.e.f. 09.08.2024

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, 2025 have been acted upon by the Company and so such requests are pending.

7. 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, Managing Director, Mr. Krishna Kumar Gupta, Non-Executive Independent Director and Mr. Sanjay Kumar Chaurasia, Non-Executive Director.

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

Name of Directors	Attendance at the Meeting
	26.04.2024
Mr. Umang Kanoria	Present
Mr. Krishna Kumar Gupta*	Present
Mr. Sanjay Kumar Chaurasia	Present
Ms. Varsha Gupta**	-

* Mr. Krishna Kumar Gupta ceased to be Director w.e.f. 12.08.2024 due to end of tenure.

**Ms. Varsha Gupta was inducted in the committee w.e.f. 09.08.2024

Directors' Report (Contd.)**8. 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 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	09th August, 2023	11:30 a.m.	-
April 2021-March 2022	31st Annual General Meeting	Kanco Enterprises Limited, Jasmine Tower, 3rd Floor, 31, Shakespeare Sarani, Kolkata – 700017	1st September, 2022	02.00 p.m.	1*

* Appointment of Mr. Umang Kanoria as Managing Director of the Company for a period of 3 years with effect from 1.01.2023

** 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.

- b) No Extra-Ordinary General Meeting of the shareholders was held during the year.
- c) 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 alongwith 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.

Directors' Report (Contd.)
11. General Shareholder Information

Annual General Meeting	
Date and Time	Tuesday, 19th August, 2025 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, 2025 to 31st March, 2026
Adoption of Quarterly / Annual Result	Adoption on or before (Tentative)
Unaudited Results for 1st quarter ending 30th June, 2025	14th August, 2025
Unaudited Results for 2nd quarter ending 30th September, 2025	14th November, 2025
Unaudited Results for 3rd quarter ending 31st December, 2025	14th February, 2026
Audited Results for the Year ending 31st March, 2026	30th May, 2026
Annual General Meeting for the year ending 31st March, 2026	September, 2026

Dates of Book Closure : Wednesday, 13th August, 2025 to Tuesday, 19th August, 2025 (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 2024-2025 has been paid to The Calcutta Stock Exchange Ltd. Since 2013, there has been no trading on the CSE trading platform.

Registrar and Transfer Agent ('RTA'):
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.

Further, with effect from 24th January, 2022, SEBI has made it mandatory for listed Companies to issue securities in demat mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange/sub-division/ splitting/consolidation of securities, transmission/ transposition of securities vide its Circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022, SEBI has clarified that Company/ RTAs issues a Letter of Confirmation in lieu of the share certificate while processing any of the aforesaid investor service request. Hence, all the shareholders are requested to convert your physical shares into Dematerialized form immediately to avoid any further complications. The Company has also opened a "Suspense Escrow Demat Account" in accordance with the SEBI Circular SEBI/HO/MIRSD/PoD-1/OW/P/2022/64923 dated 30th December, 2022.

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, 2025

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%) pledged shares

Dematerialisation of Shares and Liquidity:

As on 31st March, 2025, 16941024 Equity Shares of the Company of Rs. 10/ each, representing 94.48% 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: INE 248D01011

Directors' Report (Contd.)

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

Distribution of Shareholding as on 31st March, 2025

Category	Shares		Shareholders	
	Numbers	% to Shares	Number	% of Shareholders
1-500	1290620	7.20	16134	96.60
501-1000	199743	1.11	269	1.61
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	3.44	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
Jasmine Tower, 3rd Floor
31 Shakespeare Sarani,
Kolkata-700017
Telefax (033) 2281 5217
Email: Email for investors: compliance@kanco.in

C.B. Management Services (P) 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: 033-6906 6200
Email: rta@cbmsl.com

12. Disclosures
a. Compliances with Governance Framework

The Company is in compliance with all mandatory requirements under 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](http://kanco.in/pdf/Codes_Policies/Policy%20on%20dealing%20with%20related%20party%20transactions%20and%20materiality%20of%20related%20party%20transactions.pdf). The policy can be viewed at http://kanco.in/pdf/Codes_Policies/Policy%20on%20dealing%20with%20related%20party%20transactions%20and%20materiality%20of%20related%20party%20transactions.pdf

Directors' Report (Contd.)

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.

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](http://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.

Directors' Report (Contd.)

Details relating to fees paid to the Statutory Auditors are given in Note 18 to the Financial Statements.

I. 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, 2025 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.

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 2024-2025 has been received from all the Board Members and Senior Management Personnel. A declaration to this effect signed by the 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 34th 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 and the CFO of the Company certifies 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.

Directors' Report (Contd.)**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 Directors

Place: Kolkata
Dated: 30th May, 2025

U. Kanoria
Chairman & Managing Director
DIN: 00081108

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, 2025.

For and on behalf of the Board of Directors

Place: Kolkata
Dated: 30th May, 2025

U. Kanoria
Chairman & Managing Director
DIN: 00081108

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

I 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 – 700017, West Bengal (hereinafter referred to as 'the Company'), produced before me 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 and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my 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 me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2025 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:

Directors' Report (Contd.)

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

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 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.

(Asit Kumar Labh)

Practicing Company Secretary
ACS – 32891 / C.P. No. – 14664
UDIN : A032891G000554038

Place : Kolkata
Date : 30.05.2025

Certificate on Corporate Governance**To the Members of Kanco Enterprises Limited**

I 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 31.03.2025.

The compliance of conditions of Corporate Governance is the responsibility of the management. My 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 my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

I 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.

(Asit Kumar Labh)

Practicing Company Secretary
ACS – 32891 / C.P. No. – 14664
UDIN : A032891G000554038

Place : Kolkata
Date : 30.05.2025

Directors' Report (Contd.)**CEO/CFO Certification**

We the undersigned in our respective capacities as 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, 2025 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.

Kolkata, 30th May, 2025

U. Kanoria (DIN: 00081108)
Chairman & Managing Director

Madanlal Sharma
C.F.O

Directors' Report (Contd.)

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	43	16.05.1998	66	Bengal Tea & Fabrics Ltd.	Jt. Managing Director	22.36
2.	Madanlal Sharma	C.F.O	3,60,000	B.A.	48	01.07.1978	70	-	-	-
3.	Manisha Gupta	Company Secretary	1,80,000	B.Com (Hons.), ACS	8	15.05.2019	40	-	-	-

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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KANCO ENTERPRISES LIMITED.

REPORT ON THE STANDALONE Ind AS FINANCIAL STATEMENTS

Qualified Opinion

We have audited the accompanying Ind AS financial statements of Kanco Enterprises Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025 the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its loss, the changes in equity and its cash flows for the year ended on that date

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. 872.19 thousand (PY Rs. 864.23 thousand)

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report We are independent of the Company in accordance with the "Code of Ethics" issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 financial statements.

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, 2025 has been completely eroded on account of accumulated losses of Rs. 211102.50 thousand. 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report

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	Principal Audit Procedures Our procedures included, but were not limited to the

INDEPENDENT AUDITORS' REPORT (Contd.)

	21630.65 thousand 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 thousand and Rs. 560.54 thousand (exclusive of GST) were raised. The Company is expected to complete sale of balance Plant & Machinery amounting to Rs. 9805.06 thousand by 31st March 2026. Refer Note 7 to the IND AS financial statements.	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.
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Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

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

RESPONSIBILITY OF MANAGEMENT FOR THE INDAS 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 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 accounting Standards specified under section 133 of the Act. 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 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 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 has no realistic alternative but to do so.

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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 these financial statements.

INDEPENDENT AUDITORS' REPORT *(Contd.)*

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

- a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- d) 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 exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent 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 it 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 charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended 31st March, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Government of India, Ministry of Corporate Affairs dated 25th February, 2020 in terms of sub-section 11 of section 143 of the Act, we give in the Annexure a statement on the matters specified therein, refer to Annexure "A"-a statement on the matters specified in the Paragraph 3 and 4 of the order.

INDEPENDENT AUDITORS' REPORT (Contd.)

2. As required by Section 143(3) of the Act, we report that:

- 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 the Statement of Other Comprehensive Income, Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.
- e) On the basis of written representations received from the directors as on 31st March, 2025 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- f) In our opinion, there exists adequacy of internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure "B" and
- g) With respect to the other matters to be included in the Auditors Report in accordance with the requirements of the section 197(16) of the Act, as amended:

In our opinion and to the best of our information & according to the explanation given to us, the remuneration paid to the directors by the company is in accordance with the said provision of Section 197 of the Act.

- h) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 to 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) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) a) The management has represented that, to the best of its knowledge and belief, no funds 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 persons or entities 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 ("Ultimate Beneficiaries") by or on behalf of the Company or

INDEPENDENT AUDITORS' REPORT (Contd.)

- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any other persons or entities, including foreign entities ("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 ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- c) Based on such audit procedures as 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 (iv)(a) and (iv)(b) contain any material mis-statement.
- 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 an accounting software for maintaining its books of account 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 feature being tampered with.

P-21/22, Radha Bazar Street,
Kolkata-700001

Dated the 30th day of May, 2025

For **Jain & Co.**
Chartered Accountants
Firm Registration No- 302023E
UDIN: 25055048BMJKON9081

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

INDEPENDENT AUDITORS' REPORT *(Contd.)***ANNEXURE “A” TO THE AUDITORS' REPORT OF EVEN DATE****REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE:**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report 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, 2025. 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) No Inventory lying with third parties has been confirmed by them as at 31st March, 2025 and no material discrepancies were noticed in respect of such confirmations.
 - c) The Company has not availed any working capital loan and the clause 3(ii)(b) is not applicable during the year 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.

INDEPENDENT AUDITORS' REPORT *(Contd.)*

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, 2025 for a period of more than six months from the date they became payable.
 - 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, 2025.
 - 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.

INDEPENDENT AUDITORS' REPORT (Contd.)

- 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.
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 incurred cash losses in the financial year and the company had not incurred Cash losses in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year.

INDEPENDENT AUDITORS' REPORT *(Contd.)*

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.

P-21/22, Radha Bazar Street,
Kolkata-700001
Dated the 30th day of May, 2025

For **Jain & Co.**
Chartered Accountants
Firm Registration No- 302023E
UDIN: 25055048BMJKON9081

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

INDEPENDENT AUDITORS' REPORT *(Contd.)***ANNEXURE “B” TO THE INDEPENDENT AUDITORS' REPORT**

(REFERRED TO IN PARAGRAPH (h) UNDER “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE.)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)

We have audited the internal financial controls over financial reporting of KANCO ENTERPRISES LIMITED (“the Company”) as of 31 March 2025 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 Company's management 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 include 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 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 judgment, 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 Company's internal financial controls system over financial reporting.

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 standalone 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

INDEPENDENT AUDITORS' REPORT *(Contd.)*

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 standalone 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 best 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 31st March 2025, 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: 25055048BMJKON9081

P-21/22, Radha Bazar Street,
Kolkata-700001
Dated the 30th day of May, 2025

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

Standalone Balance Sheet As At 31st March, 2025

(₹ in thousand)

Particulars	Note	As at 31st March 2025	As at 31st March 2024
A ASSETS			
1 Non-current assets			
a) Property, plant and equipment	2	3,988.44	4,100.02
b) Financial assets			
i) Other financial assets	3	434.72	434.72
Total non-current assets		4423.16	4,534.74
2 Current assets			
a) Inventories	5	2,405.90	2,405.90
b) Financial assets			
i) Cash and cash equivalents	6	177.84	168.75
c) Other current assets	4	3,775.67	3,678.37
d) Assets classified as held for sale	7	9,805.06	9,805.06
Total current assets		16,164.47	16,058.08
Total assets		20,587.63	20,592.82
B EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	8	179,303.74	179,303.74
b) Other equity	9	(211,102.50)	(209,140.63)
Total equity		(31,798.76)	(29,836.89)
Liabilities			
1 Current liabilities			
a) Financial liabilities			
i) Borrowings	10	9,612.00	7,672.00
ii) Other financial liabilities	11	18,563.05	18,550.99
b) Other current liabilities	12	24,211.34	24,206.72
Total current liabilities		52,386.39	50,429.71
Total liabilities		52,386.39	50,429.71
Total equity and liabilities		20,587.63	20,592.82

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: 25055048BMJKON9081

CA M. K. JAIN

Partner

Membership No. 055048

Kolkata

Date : May 30, 2025

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

Standalone Statement of Profit and Loss for the year ended 31st March, 2025

(₹ in thousand)

Particulars	Note	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Revenue			
Other income	13	-	47.18
Total Income		-	47.18
Expenses			
Employee benefit expense	14	540.00	560.00
Depreciation and amortisation expense	2	111.58	111.58
Other expenses	15	1,310.29	1,166.07
Total expenses		1,961.87	1,837.65
Profit before tax		(1,961.87)	(1,790.47)
Tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expense		-	-
Profit / (loss) for the year		(1,961.87)	(1,790.47)
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)		(1,961.87)	(1,790.47)
No. of Shares		17,930,374	17,930,374
Basic and diluted earning ₹ per Equity share of ₹ 10 each		(0.11)	(0.10)

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: 25055048BMJKON9081

CA M. K. JAIN
Partner
Membership No. 055048
Kolkata
Date : May 30, 2025

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

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

(₹ in thousand)

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
A. Cash flow from operating activities		
(Loss) / Profit before tax	(1,961.87)	(1,790.47)
Adjustments for:		
Depreciation and amortisation expenses	111.58	111.58
Operating profit before working capital changes	(1,850.29)	(1,678.89)
Adjustments for:		
Other current assets	(97.31)	5,315.77
Other current financial liabilities	12.06	(115.02)
Other current liabilities	4.62	(1,662.98)
	(80.63)	3,537.77
Cash generated from operations	(1,930.92)	1,858.88
Less: Direct taxes net of refund	-	(292.70)
Net cash flow from operating activities	(1,930.92)	2,151.58
B. Cash flow from investing activities		
Net cash from /(used in) investing activities	-	-
C. Cash flow from financing activities		
Increase / (Repayment) in borrowings	1,940.00	(2,268.00)
Net cash used in financing activities	1,940.00	(2,268.00)
Net change in cash and cash equivalents	9.08	(116.43)
Opening balance - cash and cash equivalents	168.76	285.19
Closing balance - cash and cash equivalents	177.84	168.76

The accompanying Notes form an integral part of the Financial Statements

1. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the IND AS 7 on statement of Cash flow as notified under Companies (Accounts) Rules, 2015.

As per our attached report of even date

For **JAIN & CO.**

Chartered Accountants

Firm Registration No. 302023E

UDIN: 25055048BMJKON9081

CA M. K. JAIN

Partner

Membership No. 055048

Kolkata

Date : May 30, 2025

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

Standalone Statement of changes in Equity for the year ended 31st March, 2025**A. Equity share capital**

(₹ in thousand)

Particulars	Note	Amount
As at April 01, 2023		1,79,303.74
Changes in Equity share capital		-
As at March 31, 2024		1,79,303.74
Changes in Equity share capital		-
As at March 31, 2025		1,79,303.74

B. Other equity

(₹ in thousand)

Particulars	Note	Reserves and surplus				Total Other Equity
		Securities Premium Account	General Reserves	Capital Reserves	Retained earnings	
As at April 01, 2023		25,000.00	1,86,152.94	2,500.00	(4,21,003.10)	(2,07,350.16)
Profit for the year					(1,790.47)	(1,790.47)
As at March 31, 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)

The accompanying Notes form an integral part of the Financial Statements

As per our attached report of even date

For and on behalf of the Board of Directors

For **JAIN & CO.**

Chartered Accountants

Firm Registration No. 302023E

UDIN: 25055048BMJKON9081

CA M. K. JAIN

Partner

Membership No. 055048

Kolkata

Date : May 30, 2025

U. Kanoria

Chairman & Managing Director

DIN: 00081108

M.L. Sharma

Chief Financial Officer

M. Gupta

Company Secretary

Notes to the Financial Statements

Background

Kanco Enterprises Limited (the 'Company') 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 plant and equipment, for which the management has estimated 10 years useful life of assets based on technical assessment.

Notes to the Financial Statements (Contd.)

- (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.

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.

Notes to the Financial Statements (Contd.)

i) Sale of Goods and Services:

- 1) Domestic sales are accounted 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.

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

Notes to the Financial Statements (Contd.)

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 14

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, 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
Particulars	Gross Block				Depreciation				Net Block As At	
	As at April 1, 2023	Additions during the year	Disposal	As at March 31, 2024	As at April 1, 2023	For the year	On disposals	As at March 31, 2024	March 31, 2024	March 31, 2023
Buildings	7,139.36	-	-	7,139.36	2,961.95	111.58	-	3,073.53	4,065.83	4,177.41
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	3,662.62	111.58	-	3,774.20	4,100.02	4,211.60
Previous year	7,874.22	-	-	7,874.22	3,551.04	111.58	-	3,662.62	4,211.60	4,323.17

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 2025		As at 31st March 2024	
	Current	Non Current	Current	Non Current
Note 3 : Other financial assets				
a) Security deposits	-	434.72	-	434.72
	-	434.72	-	434.72

Note 4 : Other assets				
a) Balances with the Government department				
i) Tax paid in advance, net of provisions	2,804.60	-	2,804.60	-
ii) Balances with the statutory authorities	257.27	-	159.98	-
b) Advances				
i) Others	713.80	-	713.79	-
	3,775.67	-	3,678.37	-

Particulars	As at 31st March 2025		As at 31st March 2024	
Note 5 : Inventories				
a) Stores and spares		2,405.90		2,405.90
		2,405.90		2,405.90

Valued at cost or net realizable value whichever is lower

Note 6 : Cash and cash equivalents		
a) Balances with banks		
i) In current accounts	176.17	163.97
b) Cash on Hand	1.67	4.78
	177.84	168.75

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

Notes to the Financial Statements (Contd.)

(₹ in thousand)

Particulars	As at 31st March 2025	As at 31st March 2024
Note 7 : Assets classified as held for sale		
a) Plant & machinery	9,805.06	9,805.06
	9,805.06	9,805.06

In April 2018, the director of the company decided to sell plant & machineries. The company has started selling its plant and machineries and expected to be completed before the end of March 31, 2026. Plant & Machinery classified as held for sale during the reporting period measured at the lower its carrying amount and fair value less cost to sell at the time of reclassifications.

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

a) Movement in Equity share capital

	Number of shares	Equity share capital
As at March 31, 2023	1,79,30,374	1,79,30,374
As at March 31, 2024	1,79,30,374	1,79,30,374
As at March 31, 2025	1,79,30,374	1,79,30,374

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:

(₹ in thousand)

No	Name of the Shareholder	As at 31st March 2025		As at 31st March 2024	
		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	9.05%	16,22,655
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

Notes to the Financial Statements (Contd.)

d) Details of Shareholding of promoters:

(₹ in thousand)

No	Name of the Promoter	As at 31st March 2025		As at 31st March 2024		% 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%	-

	As at 31st March 2025	As at 31st March 2024
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	(4,24,755.44)	(4,22,793.57)
	(2,11,102.50)	(2,09,140.63)

Note 10 : Borrowings				
Long-term borrowings				
Unsecured				
Term loans from other parties	9,612.00	-	7,672.00	-
	9,612.00	-	7,672.00	-

(i) Unsecured loan noncurrent borrowing is repayable on demand not earlier than March 31, 2025.

(ii) The company has not provided interest on unsecured loan of 96,12.00 (PY 76,72.00) received from non-related party.

Note 11 : Other financial liabilities				
a) Security deposits	18,000.00	-	18,000.00	-
b) Accrued compensation to employees	-	-	-	-
c) Contribution of Provident and other funds	-	-	-	-
d) Others	563.05	-	550.99	-
	18,563.05	-	18,550.99	-

Others financial liability includes ₹ 23.07 (PY: ₹ 23.07) payable to director.

Notes to the Financial Statements (Contd.)

(₹ in thousand)

Particulars	As at 31st March 2025		As at 31st March 2024	
	Current	Non Current	Current	Non Current
Note 12 : Other Current Liabilities				
a) Statutory dues	21.94	-	17.32	-
b) Advance Received from Fixed Assets Buyer	24,189.40	-	24,189.40	-
	24,211.34	-	24,206.72	-

Particulars	For the Year Ended 2025	For the Year Ended 2024
Note 13 : Other Income		
Commission received	-	-
Interest on Income Tax Refund	-	16.59
Liabilities no longer required w/off	-	30.59
	-	47.18

Note 14 : Employee benefit expense		
Salaries wages and bonus	540.00	560.00
Contributions to Provident and other funds	-	-
	540.00	560.00

Note 15 : Other expenses		
Share Maintenance Expenses	581.95	501.91
Consultancy and professional fees	191.75	171.50
Director's Sitting Fees	130.00	110.00
Office Maintenance Expenses	111.77	131.33
Rates and Taxes	102.81	103.18
Miscellaneous Expenses	88.59	41.16
Payment to Auditors	50.57	50.57
a) Audit fees	50.00	50.00
b) Other matters	0.57	0.57
Electricity Charges	42.45	46.66
Insurance Charges	10.00	-
Travelling and conveyance	0.40	9.76
	1,310.29	1,166.07

Notes to the Financial Statements (Contd.)

(₹ in thousand)

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:			
		As at 31st March 2025	As at 31st March 2024
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			
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 05 Kanco Speciality Packaging Private Limited		Enterprises over which the key management personnel and/or their relatives have significant influence
02	Innova Properties Pvt. Ltd. 06 Winnow Investment and Securities Pvt. Ltd.		
03	Milan Agencies Pvt. Ltd. 07 Kanco CSR Trust		
04	Dhanvaridhi Foods Pvt. Ltd.		
01	Kanco Enterprises Limited- Employees Gratuity Fund		Post-Retirement Benefit Plan Entities

16.2 : (B) Transactions with Related Party							
Sl. No.	Particulars	As at 31st March 2025			As at 31st March 2024		
		Key Management Personnel	Directors	Post-Retirement Benefit Plan	Key Management Personnel	Directors	Post-Retirement Benefit Plan
01	Remuneration	540.00	-	-	560.00	-	-
	Ms. Manisha Gupta	180.00	-	-	180.00	-	-
	Mr. Madanlal Sharma	360.00	-	-	360.00	-	-
02	Director Sitting Fess Paid	-	130.00	-	-	110.00	-
	Mr.K.K.Gupta(Tenure Complete on 12.08.2024)	-	20.00	-	-	40.00	-

Notes to the Financial Statements (Contd.)

(₹ in thousand)

	Ms. Varsha Gupta	-	40.00	-	-	40.00	-
	Mr.Sanjay Kumar Chaurasia	-	40.00	-	-	30.00	-
	Mr.Gourav Saraf	-	30.00	-	-	-	-
	Outstanding balances as at year end						
01	Payables	23.06	-	-	23.06	-	-
	Mr. Umang Kanoria	23.06	-	-	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, 2025 and March 31, 2024 are:

a) Income tax expense

Particulars	2024-25	2023-24
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	3,097.29
Less: Current tax payable for the year	-	-
Add: Taxes paid / TDS Deducted	-	(292.69)
Closing balance	2,804.60	2,804.60

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.

Notes to the Financial Statements (Contd.)

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

(₹ in thousand)

Particulars	March 31, 2025			March 31, 2024		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
i) Cash and cash equivalents	-	-	177.84	-	-	168.75
ii) Other financial assets	-	-	434.72	-	-	434.72
Total financial assets	-	-	612.56	-	-	603.47
Financial liabilities						
i) Borrowings	-	-	9,612.00	-	-	7,672.00
ii) Other financial liabilities	-	-	18,563.05	-	-	18,550.99
Total financial liabilities	-	-	28,175.05	-	-	26,222.99

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 Company 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, 2025		March 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
i) Cash and cash equivalents	177.84	177.84	168.75	168.75
ii) Other financial assets	434.72	434.72	434.72	434.72
Total financial assets	612.56	612.56	603.47	603.47
Financial liabilities				
i) Borrowings	9,612.00	9,612.00	7,672.00	7,672.00
ii) Other financial liabilities	18,563.05	18,563.05	18,550.99	18,550.99
Total financial liabilities	28,175.05	28,175.05	26,222.99	26,222.99

Notes to the Financial Statements (Contd.)

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.

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:

Notes to the Financial Statements (Contd.)

Particulars		For the year ended 31st March, 2025	For the year ended 31st March, 2024
Profit for the year attributable to the Equity Shareholders	₹ in thousand	(1961.87)	(1790.47)
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	₹	(0.11)	(0.10)

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.

16.11 Net debt reconciliation

Particulars	March 31, 2025	March 31, 2024
Cash and cash equivalents	177.84	168.75
Current borrowings	9,612.00	7,672.00
Non-current borrowings	-	-
Interest accrued and due on borrowing	-	-
Net Debt	(9,434.16)	(7,503.25)

Particulars	Other Assets	Liabilities from financing activities			
	Cash and cash equivalents	Current borrowings	Non-current borrowings	Other financials liability	Total
Net debt as at 1 April 2024	168.75	(7,672.00)	-	-	(7,503.25)
Cash flows	9.08	(1,940.00)	-	-	(1,930.92)
Net debt as at 31st March 2025	177.83	(9,612.00)	-	-	(9,434.17)

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.

Notes to the Financial Statements (Contd.)

16.13 Details of significant key financial ratios

Sl. No.	Particulars	F.Y. 2024-25	F.Y. 2023-24	% Change	Reasons of Variance
a)	Current Assets	16,164.47	16,058.08		
	Current Liabilities	52,386.39	50,429.71		
	Current Ratio	0.31	0.32	(3.00%)	
b)	Total Debt	9,612.00	7,672.00		
	Total Equity	(31,798.76)	(29,836.89)		
	Debt Equity Ratio	(0.30)	(0.26)	18.00%	
c)	Earning before interest & tax	(1,961.87)	(1,790.47)		
	Current portion of long term debt alongwith interest	-	-		
	Debt Service Coverage Ratio	-	-	N.A.	
d)	Profit after tax	(1,961.87)	(1,790.47)		
	Net Worth	(31,798.76)	(29,836.89)		
	Return on Equity	0.06	0.06	0.00%	
e)	Inventory Turnover Ration	N.A.	N.A.		The company has no inventory as at balance sheet date
f)	Trade Receivables Turnover Raio	N.A.	N.A.		The company has no trade receivables as at balance sheet date
g)	Trade Payables Turnover Raio	N.A.	N.A.		The company has no trade payables as at balance sheet date
h)	Turnover	-	47.18		
	Net Worth	(31,798.76)	(29,836.89)		
	Net Capitals Turnover Ratio	-	(0.002)	(100.00%)	Refer sub-note (i)
i)	Profit after tax	(1,961.87)	(1,790.47)		
	Turnover	-	47.18		
	Net Profit Ratio	-	(37.95)	(100.00%)	Refer sub-note (i)
j)	Earning before interest & tax	(1,961.87)	(1,790.47)		
	Total Asset-Current Liability	(31,798.76)	(29,836.89)		
	Return on Capital Employed	0.06	0.06	0.00%	
k)	Profit after tax	(1,961.87)	(1,790.47)		
	Capital Employed	(31,798.76)	(29,836.89)		
	Return on Investment	0.06	0.06	0.00%	

Notes

(i) The change in ratio resulted from nil turnover during the year under review.

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.

Notes to the Financial Statements (Contd.)

- 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, 2025 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: 25055048BMJKON9081

CA M. K. JAIN
Partner
Membership No. 055048
Kolkata
Date : May 30, 2025

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



KANCO ENTERPRISES LIMITED

(CIN : L51909WB1991PLC053283)

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