

NKSJ & ASSOCIATES

Chartered Accountants

Embassy Building, Flat No. 1B, 1st Floor,
4, Shakespeare Sarani, Kolkata – 700071

Phones: 033 4062 5151/4062 7100
Email : nksjandassociates@gmail.com

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF KANCO TEA & INDUSTRIES LIMITED

Opinion and Conclusion

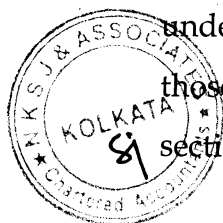
We have audited the Standalone Financial Results of Kanco Tea & Industries Limited ("the Company") for the quarter and year ended 31st March, 2020, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the quarter and year ended 31st March, 2020:

- i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net loss and total comprehensive loss and other financial information of the Company for the year then ended.

Basis for Opinion on the Audited Standalone Financial Results for the quarter and year ended 31st March, 2020

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of



NKSJ & ASSOCIATES

Chartered Accountants

Embassy Building, Flat No. 1B, 1st Floor,
4, Shakespeare Sarani, Kolkata – 700071

Phones: 033 4062 5151/4062 7100
Email : nksjandassociates@gmail.com

Ethics issued by the Institute of Chartered Accountants of India (“the ICAI”) together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended 31st March, 2020 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management’s Responsibilities for the Statement

This Statement which includes the Standalone Financial Results is the responsibility of the Company’s Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the quarter and year ended 31st March, 2020 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended 31st March, 2020 that give a true and fair view of the net loss and other comprehensive loss and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.



NKSJ & ASSOCIATES

Chartered Accountants

Embassy Building, Flat No. 1B, 1st Floor,
4, Shakespeare Sarani, Kolkata – 700071

Phones: 033 4062 5151/4062 7100
Email : nksjandassociates@gmail.com

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities

(a) Audit of the Standalone Financial Results for the quarter and year ended 31st March, 2020

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the quarter and year ended 31st March, 2020 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

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

- Identify and assess the risks of material misstatement of the Annual Standalone Financial Results, 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



NKSJ & ASSOCIATES

Chartered Accountants

Embassy Building, Flat No. 1B, 1st Floor,
4, Shakespeare Sarani, Kolkata – 700071

Phones: 033 4062 5151/4062 7100
Email : nksjandassociates@gmail.com

resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' 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 ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic



NKSJ & ASSOCIATES

Chartered Accountants

Embassy Building, Flat No. 1B, 1st Floor,
4, Shakespeare Sarani, Kolkata – 700071

Phones: 033 4062 5151/4062 7100
Email: nksjandassociates@gmail.com

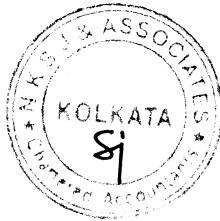
decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results.

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.

Other Matters

- The Statement includes the results for the Quarter ended 31st March, 2020 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.



4, Shakespeare Sarani

Kolkata – 700071

Dated the 10th day of July, 2020

For NKSJ & Associates

Chartered Accountants

(Registration No. 329563E)

UDIN: 20234454AAAAAH6957

Sneha Jain

(CA Sneha Jain)

Partner

(Membership No. 234454)

KANCO TEA & INDUSTRIES LIMITED

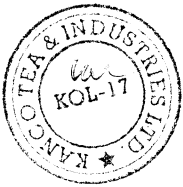
Regd. Office : 'Jasmine Tower', 3rd Floor, 31, Shakespeare Sarani, Kolkata - 700017

Telefax : 22815217, E-Mail : contact@kancotea.in, Website : www.kancotea.in, CIN-L15491WB1983PLC035793

Statement of Audited Standalone Financial Results for the Quarter and Year ended 31st March, 2020

(₹ in lakh)

Sl. No.	Particulars	Standalone				
		Quarter Ended			Year Ended	
		31.03.2020 (Unaudited)	31.12.2019 (Unaudited)	31.03.2019 (Audited)	31.03.2020 (Audited)	31.03.2019 (Audited)
	Revenue :					
I	Revenue from Operations	358	2,039	243	5,986	5,507
II	Other Income	(20)	(40)	660	339	538
III	Total Revenue (I+II)	338	1,999	903	6,325	6,045
	IV Expenses :					
	a. Cost of Materials consumed	23	296	72	1,194	983
	b. Changes in inventories of finished goods, work-in-progress and Stock-in-trade	306	364	14	116	(71)
	c. Employee benefits expense	645	844	483	2,801	2,585
	d. Finance Costs	108	115	123	451	480
	e. Depreciation and amortisation expense	61	53	54	214	193
	f. Power & Fuel	81	174	104	572	547
	g. Consumption of Stores & Spares	135	57	74	411	433
	h. Selling & Distribution Expenses	62	88	17	210	125
	i. Other expenses	144	97	114	485	540
	Total Expenses	1,565	2,088	1,055	6,454	5,815
V	(Loss) / Profit before exceptional items and Taxation (III-IV)	(1,227)	(89)	(152)	(129)	230
VI	Exceptional Items (Refer Note No.9)	-	-	-	298	-
VII	(Loss) / Profit before tax (V-VI)	(1,227)	(89)	(152)	(427)	230
VIII	Tax Expense					
	Income Tax for Earlier Year	-	-	(1)	-	(1)
	Deferred Tax	(62)	(6)	12	(167)	(44)
	Total Tax Expenses	(62)	(6)	11	(167)	(45)
IX	(Loss) / Profit for the period (VII-VIII)	(1,165)	(83)	(163)	(260)	275
X	Other Comprehensive (Loss) / Income (net of tax)					
	Items that will not be re-classified subsequently to profit or loss	(538)	2	77	(532)	58
XI	Total Comprehensive (Loss) / Income for the period (X+XI)	(1,703)	(81)	(86)	(792)	333
XII	Paid-up Equity Share Capital (Face value per shares ₹ 10/-)	512.28	512.28	512.28	512.28	512.28
XIII	Other Equity (as per balance sheet of previous accounting year)				1,780.94	2,572.54
XIV	Earning per Share (₹) (*not Annualised)					
	Basic & Diluted	(22.74)*	(1.62)*	(3.18)*	(5.08)	5.37



Sl. No.	Particulars	Standalone	
		As at 31.03.2020	As at 31.03.2019
		Audited	Audited
A ASSETS			
1 Non-Current Assets			
(a) Property, Plant & Equipment	5249	5047	
(b) Capital work-in-progress	19	13	
(c) Investment in Subsidiary	96	96	
(d) Financial Assets			
(i) Investments	1000	1569	
(ii) Trade Receivables	8	5	
(iii) Loans	1	172	
(iv) Other Financial Assets	144	124	
(e) Other Non-Current Assets	57	152	
(f) Non-Current Tax Asset (Net)	43	26	
Sub-Total- Non-Current Assets	6617	7204	
2 Current Assets			
(a) Inventories	355	391	
(b) Biological Assets other than bearer plant	-	18	
(c) Financial Assets			
(i) Trade Receivables	93	109	
(ii) Cash and Cash Equivalents	112	31	
(iii) Bank Balances other than (ii) above	25	27	
(iv) Loans	86	467	
(v) Other Financial Assets	91	149	
(d) Other Current Assets	346	355	
Sub-Total- Current Assets	1108	1547	
TOTAL ASSETS	7725	8751	
1 Equity			
(a) Equity Share Capital	512	512	
(b) Other Equity	1781	2573	
	2293	3085	
2 Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	2324	2601	
(ii) Trade Payables	11	10	
(iii) Other Financial Liabilities	1	1	
(b) Provisions	237	162	
(c) Deferred Tax Liabilities (Net)	(100)	67	
(d) Other Non-current Liabilities	15	18	
Sub-total- Non-Current Liabilities	2488	2859	
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	1622	1504	
(ii) Trade Payables	339	358	
(iii) Other Financial Liabilities	828	788	
(b) Provisions	138	140	
(c) Other Current Liabilities	17	17	
Sub-total- Current Liabilities	2944	2807	
TOTAL EQUITY AND LIABILITIES	7725	8751	



AUDITED CASH FLOW STATEMENT FOR THE EYAR ENDED 31ST MARCH, 2020

(₹ in lakh)

Sl. No.	Particulars	Standalone	
		As at 31.03.2020	As at 31.03.2019
		Audited	Audited
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit / (Loss) Before Tax and after Exceptional items	(427)	229
	Finance Cost	451	481
	Depreciation (including amortization & impairment)	214	193
	Changes in Fair Value of Biological Assets	18	(8)
	Interest Received	(3)	(45)
	Dividend Received	-	2
	Net (Gain) on sale of Investments	-	15
	Operating Profit/ (Loss) before Working Capital Changes	253	867
	ADJUSTMENT FOR :		
	Decrease in Trade Receivables	14	(26)
	Decrease/(Increase) in Non-current & current financial assets	1	(50)
	Decrease /(Increase) in Non-current & current assets	76	(154)
	Decrease /(Increase) in Inventories & Biological Assets other than bearer plants	36	(74)
	(Decrease)/ Increase in Trade Payables	(18)	39
	(Decrease)/ Increase in Non-current & current financial liabilities	32	(122)
	Increase /(Decrease) in Non-current & current liabilities	(3)	(7)
	Increase /(Decrease) in Non-current & current provisions	80	15
	Cash Generated from Operations	471	488
	Income Tax (Paid)/ received (Net)	(17)	5
	Net Cash Flow from Operating Activities	454	493
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Property, Plant and Equipment	(399)	(508)
	Sale of Property, Plant and Equipment	4	4
	Loan Given (Net)	552	(81)
	Fixed Deposits & other bank balances	3	-
	Sale of Investments	30	290
	Interest Received	39	7
	Net Cash flow from Investing Activities	229	(288)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Increase / (Decrease) in Short Term Borrowings from Banks	118	226
	Increase / (Decrease) in Long Term Borrowings	(265)	123
	Finance Cost	(455)	(479)
	Dividend Paid	-	(51)
	Dividend distribution tax paid	-	(11)
	Net Cash flow from Financing Activities	(602)	(192)
	Net Increase / (Decrease) in Cash and Cash Equivalents	81	13
	Cash and Cash Equivalents at the beginning of the year	31	18
	Cash and Cash Equivalents at the end of the year	112	31

Notes:

- The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 10th July, 2020. The Statutory Auditors have audited this result as required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Company has one reportable segment, which is tea. Accordingly, no disclosure under Ind AS-108 dealing with Segment Reporting has been made.
- The cost of materials consumed represents only green leaf purchased from third parties and change in inventory for own green leaves.
- The above financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as amended by the Companies (Indian Accounting Standards) (Amended) Rules, 2016, as prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent possible.
- The format for audited quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated 30th November, 2015 has been modified to comply with requirements of SEBI's circular dated 5th July, 2016, Ind AS and Schedule III (Division II) to the Companies Act, 2013 which are applicable to Company that are required to comply with Ind AS.
- The figures for the quarter ended 31st March, 2020 and 31st March, 2019, are the balancing figures between the audited figures in respect of the full financial year and unaudited published figures upto third quarter for the respective years.
- Ind AS 115, Revenue from Contracts with Customers, mandatory for reporting period beginning on or after 1st April, 2018, replaces existing revenue recognition requirements. Under the modified retrospective approach, there was no significant adjustments required to be made to the Retained Earnings as at 1st April, 2018. Also, the application of Ind AS 115 did not have any significant impact on the results for the period.

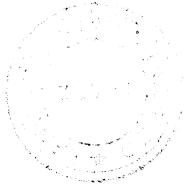


8. The Company's units, which had to suspend operations temporarily, due to Government's directive pertaining to PANDEMIC COVID-19, have since resumed operations, as per the guidelines and norms prescribed by the Government Authorities. Although the Government had allowed easing of restrictions from mid-April, 2020 in a gradual manner, the Company has suffered crop losses during the lock down period (primarily in the financial year 2020-2021), which together with disruption in auction sales channel have created slight stress on the liquidity position. However the Company believes that this stress to be a short term phenomenon and would reverse as the business conditions normalises in the geographies in which the Company operates in.

The Company has also considered the possible effects of PANDEMIC COVID 19 on the carrying amount of inventories including biological assets, trade receivables and relevant liabilities using reasonably available information, estimates and judgement and has determined that none of these balances require a material adjustment to their carrying values.

9. During the financial year ended 2018-19, the Company had shown Arrear of Wages of Rs 11,031.44 pertaining to the period from March,2018 to July,2018 as Contingent Liability, based on the interim order of Hon'ble High Court at Gauhati in the matter and also had provided Bonus @8.33% of Rs 11,991.40 based on the calculations of allocable surplus as per "The Payment of Bonus Act, 1965". However, Arrear of Wages alongwith Employer's Contribution to Provident Fund amounting to Rs.1,23,14.85 and Bonus of Rs 1,74,55.50 being the differential amount was paid as per agreement dated June 6, 2019 and September 18, 2019 respectively with Assam Chah Mazdoor Sangha to maintain Industrial Peace and Harmony. The Management is of the view that the above two contributed to Losses of Rs 2,97,70.35 for the year and being material in nature has been shown as "Exceptional Item" in the Statement of Profit and Loss for the year ended 31st March,2020.

10. The figures for the corresponding previous period have been restated/regrouped wherever necessary, to make them comparable.



Kolkata, the 10th day of July, 2020

By the order of the Board

U. Kanoria

U.Kanoria

Chairman & Director

DIN : 00081108



NKSJ & ASSOCIATES

Chartered Accountants

Embassy Building, Flat No. 1B, 1st Floor,
4, Shakespeare Sarani, Kolkata – 700071

Phones: 033 4062 5151/4062 7100
Email : nksjandassociates@gmail.com

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL CONSOLIDATED FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF KANCO TEA & INDUSTRIES LIMITED

Opinion and Conclusion

We have audited the accompanying statement of quarterly and year to date Consolidated Financial Results of **Kanco Tea & Industries Limited** which includes joint operations ("the Parent") and its wholly owned subsidiary (the Parent and its subsidiary together referred to as "the Group"), for the quarter and year ended 31st March, 2020, attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Consolidated Financial Results

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit reports of the other auditor on separate financial statements / financial information of subsidiary referred to in Other Matters section below, the Consolidated Financial Results for the year ended 31st March, 2020:

- i. includes the results of the Winnow Investments Securities Private Limited, wholly owned subsidiary to this report;
- ii. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- iii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net loss and consolidated total comprehensive loss and other financial information of the Group for the quarter and year ended 31st March, 2020.



NKSJ & ASSOCIATES

Chartered Accountants

Embassy Building, Flat No. 1B, 1st Floor,
4, Shakespeare Sarani, Kolkata – 700071

Phones: 033 4062 5151/4062 7100
Email : nksjandassociates@gmail.com

Basis for Opinion

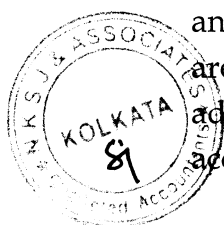
We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under Section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those Standards are further described in paragraph (a) of Auditor’s Responsibilities section below. We are independent of the Group and its subsidiary in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“the ICAI”) together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results for the year ended 31st March, 2020 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 obtained by us and the audit evidence obtained by the other auditors in term of their reports referred to in other matters section below, is sufficient and appropriate to provide a basis for our audit opinion.

Management’s Responsibilities for the Statement

This Statement which includes the Consolidated Financial Results is the responsibility of the Parent’s Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the quarter and year ended 31st March, 2020 has been compiled from the related audited consolidated financial statements. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended 31st March, 2020 that give a true and fair view of the consolidated net

loss and consolidated other comprehensive loss and other financial information of the Group including its subsidiary in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

The respective Board of Directors of the companies included in the Group and its subsidiary are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its subsidiary 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 the 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



NKSJ & ASSOCIATES

Chartered Accountants

Embassy Building, Flat No. 1B, 1st Floor,
4, Shakespeare Sarani, Kolkata – 700071

Phones: 033 4062 5151/4062 7100
Email : nksjandassociates@gmail.com

presentation of the respective Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group and of its subsidiary are responsible for assessing the abilities of respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its jointly controlled entity are responsible for overseeing the financial reporting process of the Group and its subsidiary

Auditor's Responsibilities

Audit of the Consolidated Financial Results for the quarter and year ended 31st March, 2020

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the quarter and year ended 31st March, 2020 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Consolidated Financial Results.

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

- Identify and assess the risks of material misstatement of the Annual Consolidated Financial Results, 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.



NKSJ & ASSOCIATES

Chartered Accountants

Embassy Building, Flat No. 1B, 1st Floor,
4, Shakespeare Sarani, Kolkata – 700071

Phones: 033 4062 5151/4062 7100
Email: nksjandassociates@gmail.com

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' 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 ability of the Group and its subsidiary 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 Consolidated Financial Results 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 Group and its subsidiary to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Consolidated Financial Results, including the disclosures, and whether the Annual Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by SEBI under Regulation 33(8) of the Listing Regulation to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results / Financial Information of the entities within the Group and its subsidiary to express an opinion on the Annual Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Annual Consolidated Financial Results of which we are the independent auditors. For the other entities included in the Annual Consolidated Financial Results, which have been audited by the other auditors, such other auditors remain



NKSJ & ASSOCIATES

Chartered Accountants

Embassy Building, Flat No. 1B, 1st Floor,
4, Shakespeare Sarani, Kolkata – 700071

Phones: 033 4062 5151/4062 7100
Email: nksjandassociates@gmail.com

responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Consolidated Financial Results 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 Annual Consolidated Financial Results.

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Results of which we are the independent auditors 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

Other Matters

- The Statement includes the results for the Quarter ended 31st March, 2020 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report is not modified in respect of this matter.
- We did not audit the financial statements/ financial information of 1 (one) subsidiary included in the consolidated financial results, whose financial statements / financial information reflect total assets of Rs. 3013 Lakhs as at 31st March, 2020 and total revenues of Rs 114 Lakhs for the year ended 31st March, 2020 respectively, total net profit after tax of Rs 139 Lakhs for the year ended 31st



NKSJ & ASSOCIATES

Chartered Accountants

Embassy Building, Flat No. 1B, 1st Floor,
4, Shakespeare Sarani, Kolkata – 700071

Phones: 033 4062 5151/4062 7100
Email : nksjandassociates@gmail.com

March, 2020 respectively and total comprehensive income of Rs Nil for the year ended 31st March, 2020 respectively and net cash outflows of Rs. (462) Lakhs for the year ended 31st March, 2020, as considered in the Statement. These financial statements have been audited, by other auditors whose reports have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.

Our report on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

For NKSJ & Associates
Chartered Accountants
(Registration No. 329563E)
UDIN : 20234454AAAAAG9287

4 Shakespeare Sarani,
Kolkata -700071

Sneha Jain

(CA Sneha Jain)
Partner
(Membership No. 234454)

Dated the 10th day of July, 2020



KANCO TEA & INDUSTRIES LIMITED

Regd. Office : 'Jasmine Tower', 3rd Floor, 31, Shakespeare Sarani, Kolkata - 700017
 Telefax : 22815217, E-Mail : contact@kancotea.in, Website : www.kancotea.in, CIN-L15491WB1983PLC035793

Statement of Audited Consolidated Financial Results for the Quarter and Year ended 31st March, 2020

(₹ in lakh)

Sl. No.	Particulars	Consolidated				
		Quarter Ended			Year Ended	
		31.03.2020 (Unaudited)	31.12.2019 (Unaudited)	31.03.2019 (Audited)	31.03.2020 (Audited)	31.03.2019 (Audited)
	Revenue :					
I	Revenue from Operations	358	2,241	350	5,986	5,507
II	Other Income	(13)	52	624	453	767
III	Total Revenue (I+II)	345	2,293	974	6,439	6,274
	IV Expenses :					
a.	Cost of Materials consumed	23	513	72	1,194	983
b.	Changes in inventories of finished goods, work-in-progress and Stock-in-trade	306	(354)	14	116	(71)
c.	Employee benefits expense	347	931	483	2,801	2,585
d.	Finance Costs	108	100	122	451	480
e.	Depreciation and amortisation expense	61	51	54	214	193
f.	Power & Fuel	81	205	104	572	547
g.	Consumption of Stores & Spares	135	95	75	411	433
h.	Selling & Distribution Expenses	62	46	17	210	125
i.	Other expenses	159	108	115	501	615
	Total Expenses	1,282	1,695	1,056	6,470	5,890
V	(Loss) / Profit before exceptional items and Taxation (III-IV)	(937)	598	(82)	(31)	384
VI	Exceptional Items (Refer Note No.10)	298	-	-	298	-
VII	(Loss)/ Profit before tax (V-VI)	(1,235)	598	(82)	(329)	384
VIII	Tax Expense					
	Current Tax	20	-	552	20	552
	MAT Credit Entitlement	(62)	-	(482)	(62)	(482)
	Income Tax for Earlier Year	-	-	(1)	-	(1)
	Deferred Tax	(62)	(8)	12	(167)	(44)
	Total Tax Expenses	(104)	(8)	81	(209)	25
IX	(Loss) / Profit for the period (VII-VIII)	(1,131)	606	(163)	(120)	359
X	Other Comprehensive (Loss) / Income (net of tax)					
	Items that will not be re-classified subsequently to profit or loss	(538)	2	77	(532)	58
XI	Total Comprehensive (Loss) / Income for the period (X+XI)	(1,669)	608	(86)	(652)	417
XII	Paid-up Equity Share Capital (Face value per shares ₹ 10/-)	512.28	512.28	512.28	512.28	512.28
XIII	Other Equity (as per balance sheet of previous accounting year)				4,695.83	5,348.15
XIV	Earning per Share (₹) (*not Annualised)					
	Basic & Diluted	(22.08)*	11.83*	*(3.18)	(2.34)	7.01

Audited Statement of Assets & Liabilities as at 31st March, 2020

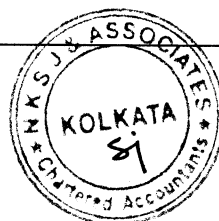
Sl. No.	Particulars	Consolidated	
		As at 31.03.2020	As at 31.03.2019
		Audited	Audited
A ASSETS			
1 Non-Current Assets			
(a) Property, Plant & Equipment	5249	5047	
(b) Capital work-in-progress	19	13	
(c) Other Intangible Assets	0	0	
(d) Investment in Subsidiary	0	0	
(e) Financial Assets			
(i) Investments	1020	1589	
(ii) Trade Receivables	8	5	
(iii) Loans	1	172	
(iv) Other Financial Assets	144	124	
(f) Other Non-Current Assets	57	152	
(g) Non-Current Tax Asset (Net)	106	(97)	
Sub-Total- Non-Current Assets	6604	7005	
2 Current Assets			
(a) Inventories	355	391	
(b) Biological Assets other than bearer plant	-	18	
(c) Financial Assets			
(i) Investments	584	285	
(ii) Trade Receivables	93	109	
(iii) Cash and Cash Equivalents	211	593	
(iv) Bank Balances other than (ii) above	25	27	
(v) Loans	1672	2073	
(vi) Other Financial Assets	205	187	
(d) Other Current Assets	346	355	
Sub-Total- Current Assets	3491	4038	
	TOTAL ASSETS	10095	11043



Sl. No.	Particulars	Consolidated	
		As at 31.03.2020	As at 31.03.2019
		Audited	Audited
1	Equity		
	(a) Equity Share Capital	512	512
	(b) Other Equity	4696	5349
		5208	5861
2	Liabilities		
	Non-Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	2324	2601
	(ii) Trade Payables	11	10
	(iii) Other Financial Liabilities	1	1
	(b) Provisions	237	162
	(c) Deferred Tax Liabilities (Net)	(647)	-417
	(d) Other Non-current Liabilities	15	18
	Sub-total- Non-Current Liabilities	1941	2375
	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	1622	1504
	(ii) Trade Payables	340	358
	(iii) Other Financial Liabilities	828	788
	(b) Provisions	138	140
	(c) Other Current Liabilities	18	17
	Sub-total- Current Liabilities	2946	2807
	TOTAL EQUITY AND LIABILITIES	10095	11043

AUDITED CASH FLOW STATEMENT FOR THE EYAR ENDED 31ST MARCH, 2020

Sl. No.	Particulars	Consolidated	
		As at 31.03.2020	As at 31.03.2019
		Audited	Audited
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit / (Loss) Before Tax and after Exceptional items	(329)	384
	Finance Cost	451	481
	Depreciation (including amortization & impairment)	214	193
	Changes in Fair Value of Biological Assets	18	(8)
	Interest Received	(151)	(113)
	Dividend Received	-	(22)
	Loss /(Profit) on Property, Plant and Equipment sold/discarded (Net)	-	2
	Net (Gain) on sale of Investments	6	(127)
	Mark to Market (gain) on Financial Instruments under FVTPL	28	2
	Operating Profit/ (Loss) before Working Capital Changes	237	792
	ADJUSTMENT FOR :		
	Decrease in Trade Receivables	14	(27)
	Decrease/(Increase) in Non-current & current financial assets	(55)	(86)
	Decrease /(Increase) in Non-current & current assets	76	(154)
	Decrease /(Increase) in Inventories & Biological Assets other than bearer plants	36	(74)
	(Decrease)/ Increase in Trade Payables	(18)	39
	(Decrease)/ Increase in Non-current & current financial liabilities	32	(122)
	Increase /(Decrease) in Non-current & current liabilities	(2)	(7)
	Increase /(Decrease) in Non-current & current provisions	80	15
	Cash Generated from Operations	400	376
	Income Tax (Paid)/ received (Net)	(223)	(423)
	Net Cash Flow from Operating Activities	177	(47)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Property, Plant and Equipment	(399)	(508)
	Sale of Property, Plant and Equipment	4	4
	Loan Given (Net)	552	(1,688)
	Fixed Deposits & other bank balances	3	120
	Purchase of Investments	(452)	-
	Sale of Investments	148	2,785
	Interest Received	187	75
	Dividend Received	-	21
	Net Cash flow from Investing Activities	43	809
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Increase / (Decrease) in Short Term Borrowings from Banks	118	226
	Increase / (Decrease) in Long Term Borrowings	(265)	124
	Finance Cost	(455)	(479)
	Dividend Paid	-	(51)
	Dividend distribution tax paid	-	(11)
	Net Cash flow from Financing Activities	(602)	(191)
	Net Increase / (Decrease) in Cash and Cash Equivalents	(382)	571
	Cash and Cash Equivalents at the beginning of the year	593	22
	Cash and Cash Equivalents at the end of the year	211	593



Notes:

1. The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 10th July, 2020. The Statutory Auditors have audited this result as required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The Company has one reportable segment, which is tea. Accordingly, no disclosure under Ind AS-108 dealing with Segment Reporting has been made.
3. The cost of materials consumed represents only green leaf purchased from third parties and change in inventory for own green leaves.
4. The above financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as amended by the Companies (Indian Accounting Standards) (Amended) Rules, 2016, as prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent possible.
5. The Company has prepared Consolidated Financial Results on annual basis for Consolidation of Financial Statements of Winnow Investments and Securities Private Limited, 100% Subsidiary of the Company.
6. The format for audited quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated 30th November, 2015 has been modified to comply with requirements of SEBI's circular dated 5th July, 2016, Ind AS and Schedule III (Division II) to the Companies Act, 2013 which are applicable to Company that are required to comply with Ind AS.
7. The figures for the quarter ended 31st March, 2020 and 31st March, 2019, are the balancing figures between the audited figures in respect of the full financial year and unaudited published figures upto third quarter for the respective years.
8. Ind AS 115, Revenue from Contracts with Customers, mandatory for reporting period beginning on or after 1st April, 2018, replaces existing revenue recognition requirements. Under the modified retrospective approach, there was no significant adjustments required to be made to the Retained Earnings as at 1st April, 2018. Also, the application of Ind AS 115 did not have any significant impact on the results for the period.
9. The Company's units, which had to suspend operations temporarily, due to Government's directive pertaining to PANDEMIC COVID-19, have since resumed operations, as per the guidelines and norms prescribed by the Government Authorities. Although the Government had allowed easing of restrictions from mid-April, 2020 in a gradual manner, the Company has suffered crop losses during the lock down period (primarily in the financial year 2020-2021), which together with disruption in auction sales channel have created slight stress on the liquidity position. However the Company believes that this stress to be a short term phenomenon and would reverse as the business conditions normalises in the geographies in which the Company operates in.


The Company has also considered the possible effects of PANDEMIC COVID 19 on the carrying amount of inventories including biological assets, trade receivables and relevant liabilities using reasonably available information, estimates and judgement and has determined that none of these balances require a material adjustment to their carrying values.
10. During the financial year ended 2018-19, the Company had shown Arrear of Wages of Rs 11,031.44 pertaining to the period from March,2018 to July,2018 as Contingent Liability, based on the interim order of Hon'ble High Court at Gauhati in the matter and also had provided Bonus @8.33% of Rs 11,991.40 based on the calculations of allocable surplus as per "The Payment of Bonus Act, 1965". However, Arrear of Wages alongwith Employer's Contribution to Provident Fund amounting to Rs.1,23,14.85 and Bonus of Rs 1,74,55.50 being the differential amount was paid as per agreement dated June 6, 2019 and September 18, 2019 respectively with Assam Chah Mazdoor Sangha to maintain Industrial Peace and Harmony. The Management is of the view that the above two contributed to Losses of Rs 2,97,70.35 for the year and being material in nature has been shown as "Exceptional Item" in the Statement of Profit and Loss for the year ended 31st March,2020.
11. The figures for the corresponding previous period have been restated/regrouped wherever necessary, to make them comparable.



Kolkata, the 10th day of July, 2020



By the order of the Board


U. Kanoria
Chairman & Director
DIN : 00081108

KANCO TEA & INDUSTRIES LIMITED

Regd. Office : 'Jasmine Tower', 3rd Floor, 31, Shakespeare Sarani, Kolkata - 700017
 Telefax : 22815217, E-Mail : contact@kancotea.in, Website : www.kancotea.in, CIN-L15491WB1983PLC035793
 Statement of Audited Financial Results for the Quarter and Year ended 31st March, 2020

(₹ in Lakhs)

Sl. No.	Particulars	Standalone								Consolidated	
		Quarter Ended		Year Ended			Quarter Ended			Year Ended	
		31-03-2020	31-12-2019	31-03-2020	31-03-2020	31-03-2019	31-03-2020	31-12-2019	31-03-2020	31-03-2020	31-03-2019
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1.	Total Income from Operations	358	2,241	350	5,986	5,507	358	2,241	350	5,986	5,507
2.	Net Profit/(Loss) for the period before tax	(1227)	(89)	(152)	(427)	230	(1235)	598	(82)	(329)	384
3.	Net Profit/(Loss) for the period after tax	(1165)	(83)	(163)	(260)	275	(1,131)	606	(163)	(120)	359
4.	Total Comprehensive Income for the period (Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (after tax)	(1703)	(81)	(86)	(792)	333	(1669)	608	(86)	(652)	417
5.	Equity Share Capital	512.28	512.28	512.28	512.28	512.28	512.28	512.28	512.28	512.28	512.28
6.	Other Equity	-	-	-	1,780.94	2,572.54				4,695.83	5,348.15
7.	Earning Per Share (of ₹10/- each) (for continuing and discontinued										
	a) Basic (*not annualised)	(22.74)*	(1.62)*	(3.18)*	(5.08)	5.37	(22.08)*	11.83*	*(3.18)	(2.34)	7.01
	b) Diluted (*not annualised)	(22.74)*	(1.62)*	(3.18)*	(5.08)	5.37	(22.08)*	11.83*	*(3.18)	(2.34)	7.01

Note:

- The above is an extract of the detailed format of Quarterly Results filed with the Bombay Stock Exchange Limited and Calcutta Stock Exchange Limited, under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The full format of the Quarterly Results along with Report of the Statutory Auditors are available on the Stock Exchange website: <http://www.bseindia.com> and <http://www.cse-india.com> and on the Company website: <http://kancotea.in>.
- The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 10th July, 2020. The Statutory Auditors have audited this result as required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Figures of the corresponding previous period have been restated/regrouped wherever necessary, to make them comparable.



Kolkata, the 10th July, 2020

By the order of the Board

U. Kanoria

U. Kanoria
 Chairman & Director
 DIN : 00081108