

KANCO ENTERPRISES LIMITED

REGISTERED OFFICE: 'JASMINE TOWER', 3RD FLOOR, 31, SHAKESPEARE SARANI, KOLKATA - 700 017

PART I					(Rs. in Lacs)
STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST DECEMBER, 2012					
Sl. No.	Particulars	Quarter Ended			Year Ended
		31.12.2012	30.09.2012	31.12.2011	30.09.2012
		(Unaudited)			(Audited)
1.	Income from operations				
	(a) Net sales/income from operations (Net of excise duty)	3,229	3,456	2,616	12,281
	(b) Other operating income	5	1	37	46
	Total income from operations (net)	3,234	3,457	2,653	12,327
2.	Expenses				
	(a) Cost of materials consumed	2,249	2,345	1,857	8,706
	(b) Changes in inventories of finished goods, work-in progress and stocks-in-trade	(89)	33	258	109
	(c) Employee benefits expense	216	220	181	812
	(d) Power & fuel	402	422	284	1,577
	(e) Depreciation and amortisation expense	99	100	106	415
	(f) Selling & distribution expense	34	42	62	197
	(g) Other expenses	162	173	161	684
	Total expenses	3,073	3,335	2,909	12,500
3.	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	161	122	(256)	(173)
4.	Other income	1	7	38	54
5.	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	162	129	(218)	(119)
6.	Finance costs	219	233	223	911
7.	Profit/ (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(57)	(104)	(441)	(1,030)
8.	Exceptional items	-	-	-	-
9.	Profit / (Loss) from ordinary activities before tax (7+8)	(57)	(104)	(441)	(1,030)
10.	Tax expenses	-	-	-	-
11.	Net Profit/(Loss) from ordinary activities after tax (9-10)	(57)	(104)	(441)	(1,030)
12.	Extraordinary items (net of tax expenses)	-	-	-	-
13.	Net Profit/(Loss) for the period (11-12)	(57)	(104)	(441)	(1,030)
14.	Paid -up equity share capital (Face value per share Rs.10/-)	1,793	1,793	1,793	1,793
15.	Reserves excluding revaluation reserve as per balance sheet of previous accounting year	-	-	-	(4,398)
16i	Earning per share (before extraordinary items)(of Rs.10 each) (not annualised)				
	a. Basic	(0.32)	(0.58)	(2.46)	(5.75)
	b. Diluted	(0.32)	(0.58)	(2.46)	(5.75)
16ii	Earning per share (after extraordinary items)(of Rs.10 each) (not annualised)				
	a. Basic	(0.32)	(0.58)	(2.46)	(5.75)
	b. Diluted	(0.32)	(0.58)	(2.46)	(5.75)
PART II					
A. PARTICULARS OF SHAREHOLDING					
1.	Public Shareholding :				
	- Number of shares	6735235	6734085	6734085	6734085
	-Percentage of shareholding	37.56%	37.56%	37.56%	37.56%
2.	Promoters and Promoter Group Shareholding				
	a) Pledged/Encumbered				
	- Number of Shares	5400636	5400636	5400636	5400636
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	48.24%	48.24%	48.24%	48.24%
	- Percentage of shares (as a % of the total share capital of the Company)	30.12%	30.12%	30.12%	30.12%
	b) Non-Encumbered				
	- Number of Shares	5794503	5795653	5795653	5795653
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	51.76%	51.76%	51.76%	51.76%
	- Percentage of shares (as a % of the total share capital of the Company)	32.32%	32.32%	32.32%	32.32%
		3 months ended 31st December, 2012			
B. INVESTOR COMPLAINTS					
	Pending at the beginning of the quarter			-	
	Received during the quarter			-	
	Disposed of during the quarter			-	
	Remaining unresolved at the end of the quarter			-	

Notes:

1. The Company is engaged in the business of manufacturing of cotton yarn & knitted fabrics. Since the Company's business falls within a single business segment, disclosure under Accounting Standard (AS) -17 Segment reporting is not applicable.
2. In absence of virtual certainty, the Company has recognised deferred tax assets only to the extent of deferred tax liability, as stipulated by Accounting Standard -22.
3. During the year ended September 30, 2012, State Bank of India (SBI) has unilaterally cancelled the forward contracts and debited Rs.1178.81 lacs, being the losses on account of foreign exchange difference excluding interest, if any, into our cash credit account without any authorization from us. This is an unilateral action taken by the SBI and no mandate either for cancellation of forward contract or debit of losses into Cash Credit account was given by the Company. The Company is not in agreement with the action taken by the SBI and have already lodged its objection with SBI. The Company therefore disputes the forex losses and has not recognized the same in its books of accounts.
4. The loan accounts of the Company have become NPA in the books of the lenders namely State Bank of India and IDBI Limited. Interest on these accounts has been provided as per the last communicated rates or at the rates debited by the banks.
5. The Company has filed an appeal on 18/01/2013 in Appellate Authority for Industrial and Financial Reconstruction u/s 25(1) the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA, 1985) against the order passed by the Board of Industrial and Financial Reconstruction (BIFR) for reference bearing no.3/2012 filed u/s 15(1) of the SICA, 1985 on 13/01/2012.
The Company's reference u/s 15(1) of the SICA, 1985 filed with BIFR on 11/12/2012 has been registered as case no.6/2013.
6. The results for the quarter ended September 30, 2012, are derived figures by subtracting reviewed figures for the nine months ended on June 30, 2012 from the audited results for the year ended September 30, 2012.
7. The figures have been re-grouped and re-classified, wherever necessary to make them comparable.
8. The above results were reviewed by the Audit Committee and approved at the meeting of Board of Directors held on February 8, 2013, and the Statutory Auditor have qualified their Limited Review Report on the matter stated in Note 3 & 4 above.

By the order of the Board

Kolkata, the 8th February, 2013

U.Kanoria
Chairman & Managing Director