

KANCO ENTERPRISES LIMITED

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

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PART I							(Rs. in Lacs)
STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 30TH JUNE, 2015							
Sl. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		30.06.2015	31.03.2015	30.06.2014	30.06.2015	30.06.2014	30.09.2014
		(Unaudited)			(Unaudited)		(Audited)
1.	Income from operations						
	(a) Net sales/income from operations (Net of excise duty)	3,488	3,365	3,949	10,587	12,042	15,966
	(b) Other operating income	20	11	1	38	10	14
	Total income from operations (net)	3,508	3,376	3,950	10,625	12,052	15,980
2.	Expenses						
	(a) Cost of materials consumed	2,389	2,265	2,985	7,118	8,975	11,852
	(b) Changes in inventories of finished goods, work-in progress and stocks-in-trade	(114)	(102)	(24)	(9)	(122)	8
	(c) Employee benefit expense	308	330	278	914	818	1,113
	(d) Power & fuel	549	515	432	1,553	1,192	1,675
	(e) Depreciation and amortisation expense	71	73	92	216	281	373
	(f) Selling & distribution expense	68	54	44	170	140	186
	(g) Other expenses	217	230	218	657	617	851
	Total expenses	3,488	3,365	4,025	10,619	11,901	16,058
3.	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	20	11	(75)	6	151	(78)
4.	Other income	21	32	18	53	23	23
5.	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	41	43	(57)	59	174	(55)
6.	Finance costs	276	271	228	783	684	931
7.	Profit/ (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(235)	(228)	(285)	(724)	(510)	(986)
8.	Exceptional items	-	-	-	-	-	-
9.	Profit / (Loss) from ordinary activities before tax (7+8)	(235)	(228)	(285)	(724)	(510)	(986)
10.	Tax expenses	-	-	-	-	-	-
11.	Net Profit/(Loss) from ordinary activities after tax (9-10)	(235)	(228)	(285)	(724)	(510)	(986)
12.	Extraordinary items (net of tax expenses)	-	-	-	-	-	-
13.	Net Profit/(Loss) for the period (11-12)	(235)	(228)	(285)	(724)	(510)	(986)
14.	Paid -up equity share capital (Face value per share Rs.10/-)	1,793	1,793	1,793	1,793	1,793	1,793
15.	Reserves excluding revaluation reserve as per balance sheet of previous accounting year	-	-	-	-	-	(5,494)
16i	Earning per share (before extraordinary items)(of Rs.10 each) (not annualised)						
	a. Basic	(1.31)	(1.27)	(1.59)	(4.04)	(2.84)	(5.50)
	b. Diluted	(1.31)	(1.27)	(1.59)	(4.04)	(2.84)	(5.50)
16ii	Earning per share (after extraordinary items)(of Rs.10 each) (not annualised)						
	a. Basic	(1.31)	(1.27)	(1.59)	(4.04)	(2.84)	(5.50)
	b. Diluted	(1.31)	(1.27)	(1.59)	(4.04)	(2.84)	(5.50)
PART II							
A. PARTICULARS OF SHAREHOLDING							
1. Public Shareholding :							
	- Number of shares	6730100	6730100	6735235	6730100	6735235	6735235
	-Percentage of shareholding	37.53%	37.53%	37.56%	37.53%	37.56%	37.56%
2. Promoters and Promoter Group Shareholding							
a) Pledged/Encumbered							
	- Number of Shares	5400636	5400636	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%	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%	30.12%	30.12%
b) Non-Encumbered							
	- Number of Shares	5799638	5799638	5794503	5799638	5794503	5794503
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	51.80%	51.80%	51.76%	51.80%	51.76%	51.76%
	- Percentage of shares (as a % of the total share capital of the Company)	32.35%	32.35%	32.32%	32.35%	32.32%	32.32%
PARTICULARS		Quarter ended 30th June, 2015					
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 above results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on August 05, 2015; and these have been subjected to a limited review by the Statutory Auditors of the Company and their qualifications have been dealt with in the Note Nos.4 and 5 below which are self explanatory.
2. 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.
3. 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.
4. 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. The company was not in agreement with the action taken by the SBI and lodged its objection with SBI. The Company has filed a suit in Hon'ble High Court at Calcutta on 6th day of August, 2013 against State Bank of India and therefore disputes the forex loss. The said suit has been transferred to the Hon'ble City Civil Court at Ahmedabad pursuant to the order dated 18th day of August 2014 of Hon'ble High Court at Calcutta. The Company therefore has not recognized the said forex loss in its books of accounts. The dispute is sub-judice.
5. 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 rate debited by the bank.
6. During the quarter ended 31st December, 2014, the Company has reassessed the useful lives of its fixed assets in accordance with Part C of Schedule II to the Companies Act, 2013. As a consequence of such reassessment, the charge on account of depreciation for the quarter and nine months ended 30th June, 2015 is lower by Rs.18.96 lacs & Rs. 55.16 lacs compared to useful lives estimated in earlier periods. In case of assets whose useful lives have ended, Rs.113.40 Lacs being the carrying value, net of residual value as on 1st October, 2014 has been adjusted to the opening balance of Deficit to Profit & Loss Account as on 1st October, 2014 pursuant to provisions of Schedule II to the Companies Act, 2013.
7. The Company's appeal filed 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 is pending.
The Company's reference bearing no.6/2013 filed u/s 15(1) of SICA, 1985 filed with BIFR is also pending.
8. The Board of Directors has decided to change the current Financial Year of the Company from 1st October, 2014 – 30th September, 2015 to 1st October, 2014 to 31st March, 2016 so as to align its financial year in terms of provision of section 2(41) of the Companies Act, 2013."
9. The figures have been re-grouped and re-classified, wherever necessary to make them comparable.

By the order of the Board

Kolkata, the 5th August, 2015

U.Kanoria
Chairman & Managing Director
DIN: 00081108