

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 ENDED 31ST DECEMBER, 2014					
Sl. No.	Particulars	Quarter Ended			Year Ended
		31.12.2014	30.09.2014	31.12.2013	30.09.2014
		(Unaudited)			(Audited)
1.	Income from operations				
	(a) Net sales/income from operations (Net of excise duty)	3,734	3,924	4,013	15,966
	(b) Other operating income	7	4	2	14
	Total income from operations (net)	3,741	3,928	4,015	15,980
2.	Expenses				
	(a) Cost of materials consumed	2,464	2,877	3,026	11,852
	(b) Changes in inventories of finished goods, work-in progress and stocks-in-trade	207	130	(44)	8
	(c) Employee benefits expense	276	295	273	1,113
	(d) Power & fuel	489	483	380	1,675
	(e) Depreciation and amortisation expense	72	92	95	373
	(f) Selling & distribution expense	48	46	49	186
	(g) Other expenses	210	234	195	851
	Total expenses	3,766	4,157	3,974	16,058
3.	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	(25)	(229)	41	(78)
4.	Other income	-	-	1	23
5.	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	(25)	(229)	42	(55)
6.	Finance costs	236	247	219	931
7.	Profit/ (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(261)	(476)	(177)	(986)
8.	Exceptional items	-	-	-	-
9.	Profit /(Loss) from ordinary activities before tax (7+8)	(261)	(476)	(177)	(986)
10.	Tax expenses	-	-	-	-
11.	Net Profit/(Loss) from ordinary activities after tax (9-10)	(261)	(476)	(177)	(986)
12.	Extraordinary items (net of tax expenses)	-	-	-	-
13.	Net Profit/(Loss) for the period (11-12)	(261)	(476)	(177)	(986)
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	-	-	-	(5,494)
16i	Earning per share (before extraordinary items)(of Rs.10 each) (not annualised)				
	a. Basic	(1.46)	(2.65)	(0.99)	(5.50)
	b. Diluted	(1.46)	(2.65)	(0.99)	(5.50)
16ii	Earning per share (after extraordinary items)(of Rs.10 each) (not annualised)				
	a. Basic	(1.46)	(2.65)	(0.99)	(5.50)
	b. Diluted	(1.46)	(2.65)	(0.99)	(5.50)
PART II					
A.	PARTICULARS OF SHAREHOLDING				
1.	Public Shareholding :				
	- Number of shares	6735235	6735235	6735235	6735235
	-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	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	5794503	5794503	5794503
	- Percentage of shares (as a % of the total shareholding of promoter and	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%
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 6th February, 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) had 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 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 losses. 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 rates 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 ended 31st December, 2014 is lower by Rs.18.52 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 the SICA,1985 filed with BIFR is also pending.
8. The results for the quarter ended September 30, 2014, are derived by subtracting reviewed figures for the nine months ended on June 30, 2014 from the audited results for the year ended September 30, 2014.
9. The figures have been re-grouped and re-classified, wherever necessary to make them comparable.

By the order of the Board

Kolkata, the 6th February, 2015.

U.Kanoria
Chairman & Managing Director
DIN: 00081108