

(₹. in Lacs)							
PART I STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2016							
Sl. No.	Particulars	Quarter Ended			Nine Months Ended		Eighteen Months Ended
		31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015	31.03.2016
		(Unaudited)			(Unaudited)		(Audited)
1.	Income from operations	-	-	95	-	7,075	14,174
	(a) Net sales/income from operations (Net of excise duty)	-	-	-	2	20	41
	(b) Other operating income	-	-	95	2	7,095	14,215
	Total income from operations (net)	-	-	95	2	7,095	14,215
2.	Expenses	-	-	(32)	-	4,627	9,356
	(a) Cost of materials consumed	-	-	102	-	512	617
	(b) Changes in inventories of finished goods, work-in progress and stocks-in-trade	23	25	31	75	623	1,268
	(c) Employee benefits expense	3	3	37	8	983	1,990
	(d) Power & fuel	71	71	71	213	215	432
	(e) Depreciation and amortisation expense	-	-	-	-	104	206
	(f) Selling & distribution expense	8	22	29	49	439	925
	(g) Other expenses	105	121	238	345	7,503	14,794
	Total expenses	(105)	(121)	(143)	(343)	(408)	(579)
3.	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	15	4	-	37	21	73
4.	Other income	(90)	(117)	(143)	(306)	(387)	(506)
5.	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	262	265	233	771	750	1,427
6.	Finance costs	(352)	(382)	(376)	(1,077)	(1,137)	(1,933)
7.	Profit/ (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	-	-	-	-	-	-
8.	Exceptional items	(352)	(382)	(376)	(1,077)	(1,137)	(1,933)
9.	Profit / (Loss) from ordinary activities before tax (7+8)	-	-	-	-	-	-
10.	Tax expenses	(352)	(382)	(376)	(1,077)	(1,137)	(1,933)
11.	Net Profit/(Loss) from ordinary activities after tax (9-10)	-	-	-	-	-	-
12.	Extraordinary items (net of tax expenses)	(352)	(382)	(376)	(1,077)	(1,137)	(1,933)
13.	Net Profit/(Loss) for the period (11-12)	1793	1793	1793	1793	1,793	1,793
14.	Paid -up equity share capital (Face value per share ₹.10/-)	-	-	-	-	-	(5,494)
15.	Reserves excluding revaluation reserve	-	-	-	-	-	-
16.	Earning per share (before & after extraordinary items) (of ₹.10 each)	(1.96)	(2.13)	(2.10)	(6.01)	(6.34)	(10.78)
	a. Basic (not annualised)	(1.96)	(2.13)	(2.10)	(6.01)	(6.34)	(10.78)
	b. Diluted (not annualised)	-	-	-	-	-	-

Notes:

- The above financial results were reviewed by the Audit Committee and approved at the meeting of Board of Directors held on February 14, 2017; and these have been subject to a limited review by the Statutory Auditors of the Company and their qualifications have been dealt with the Note Nos. 4, 5 & 6 below which are self explanatory.
- 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.
- 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.
- During the year ended September 30, 2012, State Bank of India (SBI) has unilaterally cancelled the forward contracts and debited ₹.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.
- 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.
- The Company has not provided interest for the period from April 1, 2015 to December 31, 2016 on unsecured intercorporate loan of ₹.4,34,34,766 from related party and unsecured loan of ₹. 1,50,00,000/- received from non-related party.
- The Company suspended operations in September, 2015 to contain losses due to un-favorable market conditions and financial constraints. The incentives given to new cotton spinning units under the state textile policy created an uneven playing field making it difficult for the older units to compete in times of general lack of demand and a situation of oversupply in the market. This statement as at 30-09-2015 and afterwards have been therefore been prepared on non going concern basis.
- 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 and the reference bearing no.6/2013 filed u/s 15(1) of SICA, 1985 filed with BIFR will be transferred to National Company Law Tribunal and fresh application for the same will be filed by the Company within 180 days of its coming into force.
- The results for the nine months ended 31st December, 2015 are derived figures arrived at by subtracting the results for six months ended on 31st March, 2015 from the results for the fifteen months ended 31st December, 2015.
- The figures have been re-grouped and re-classified wherever necessary to make them comparable.

By the order of the Board

U. Kanoria
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 Chairman & Managing Director
 DIN : 00081108

Kolkata, the 14th February, 2017



KANCO ENTERPRISES LIMITED

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 Statement of Unaudited Financial Results for the Quarter and Nine Months Ended 31st December, 2016

(₹ in Lacs)

Sl. No.	Particulars	Quarter ended	Nine Months	Quarter
		31/12/2016 (Unaudited)	ended 31/12/2016 (Unaudited)	ended 31/12/2015 (Unaudited)
1.	Total Income from Operations (net)	-	2	95
2.	Net Profit/(Loss) from ordinary activities after tax	(352)	(1077)	(376)
3.	Net Profit/(Loss) for the period after tax (after Extraordinary items)	(352)	(1077)	(376)
4.	Equity Share Capital	1793	1793	1793
5.	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year	(5494)	(31.03.2016)	
6.	Earning Per Share (before extraordinary items) (of ₹10/- each)			
	a) Basic (*not annualised)	(1.96)*	(6.01)	(2.10)
	b) Diluted (*not annualised)	(1.96)*	(6.01)	(2.10)
7.	Earning Per Share (after extraordinary items) (of ₹10/- each)			
	a) Basic (*not annualised)	(1.96)*	(6.01)	(2.10)
	b) Diluted (*not annualised)	(1.96)*	(6.01)	(2.10)

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://kanco.in>.

By the order of the Board



U. Kanoria
 Chairman & Managing Director
 DIN : 00081108



Place: Kolkata
 Date: 14th February, 2017

LIMITED REVIEW REPORT

The Board of Directors
Kanco Enterprises Limited
Jasmine Towers,
3rd Floor, 31, Shakespeare Sarani,
Kolkata - 700017

1. We have reviewed the statement of unaudited financial results (the "Statement") as on that date (the "Statement") of Kanco Enterprises Limited (the "Company") for the quarter ended December 31, 2016. This statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (the "Listing regulation, 2015"), which has been initialled by us for identification purpose. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free from material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. *(a) During the year ended September 30, 2012, the Company has not accounted for Foreign Exchange loss of Rs. 1178.81 lacs, arising out of Cancellation of Forward Contract. On account of this, accumulated loss as at March 31, 2016 is lower by the said amount. The loss above does not include interest, if any.*
(b) Interest on Loan accounts with State Bank of India has been debited in the books of accounts as per last agreed rate. We have been explained that the Company has no information about any change in the rate of interest, so impact, if any, of the same in statement of profit and loss and Reserve and Surplus is not determinable.
(c) the company has not provided interest for the period from April 1, 2015 to December 31, 2016 on unsecured intercorporate loan of Rs. 434.35 lacs from related party and unsecured loan of Rs. 150 lacs received from non-related party. Amount of the Interest for the said period on the said loan as per last agreed rate with the parties is Rs. 94.85 lacs. On account of this, for the quarter ended December 31, 2016 September 30, 2016, Nine months ended December 31, 2016 and eighteen months ended March 31, 2016, stated in attached statement of profit and loss is lower by Rs. 13.63 lacs, Rs. 13.63 lacs, Rs. 40.75 lacs and Rs. 54.09 lacs respectively. If this interest provision would have been accounted then losses per share for quarter ended December 31, 2016, quarter ended September 30, 2016, nine months ended December 31, 2016 and eighteen months ended March 31, 2016 would have been higher by Rs. 0.08, Rs. 0.08, Rs. 0.23 and Rs. 0.30 respectively.
(d) Because of operational difficulties and to curtail the loss, company has suspended its manufacturing operation from September 30, 2015. The statement as at 31-12-2016 have been therefore been prepared on non going concern basis and assets are stated at lower of carrying value or net realisable value.
5. Based on our review conducted as above and except for the above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B.R.Shah & Associates**
Firm Registration No. 129053W
Chartered Accountants

D. R. Desai

Deval Desai
Partner
Membership No. 132426

Ahmedabad
Date: February 14, 2017

