KANCO ENTERPRISES LIMITED

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

Telefax:(+91 33)22815217, Email:Compliance@kanco.in, Website:www.kanco.in, CIN:L51909WB1991PLC053283

PART I

(₹. in Lakhs)

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2017

Sl. No.	Particulars	Quarter Ended			Nine Months Ended	
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016
		(Unaudited)		(Unaudited) (Refer Note 9)	(Unaudited)	(Unaudited) (Refer Note 9)
1.	Income from operations					
	(a) Revenue from operations	-	-	-	-	-
	(b) Other income	-	8	15	9	39
	Total income	-	8	15	9	39
2.	Expenses					
	(a) Cost of materials consumed	-	-	-	-	-
	(b) Employee benefits expense	22	22	23	67	75
	(c) Finance cost	281	272	262	814	771
	(d) Depreciation and amortisation expense	16	17	71	50	213
	(e) Other expenses	6	11	11	26	57
	Total expenses	325	322	367	957	1,116
3.	Profit / (Loss) before exceptional items and tax (1-2)	(325)	(314)	(352)	(948)	(1,077)
4.	Exceptional items	-	-	-	-	-
5.	Profit /(Loss) before tax (3-4)	(325)	(314)	(352)	(948)	(1,077)
6.	Tax expenses	-	-	-	-	-
7.	Net Profit/(Loss) for the period (5-6)	(325)	(314)	(352)	(948)	(1,077)
8.	Other comprehensive income (net of tax expenses)	-	-	-	-	-
9.	Total comprehensive income for the period (7+8)	(325)	(314)	(352)	(948)	(1,077)
10.	Paid -up equity share capital (Face value per share ₹. 10/-)	1,793	1,793	1,793	1,793	1,793
11.	Earning per share (EPS) of ₹. 10 per share					
	Basic & Diluted EPS (₹. per share) (Not annualised)	(1.81)	(1.75)	(1.96)	(5.29)	(6.01)

Notes:

1. The above results were reviewed by the Audit Committee and approved at the meeting of Board of Directors held on February 6, 2018; 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. 5, 6 and 7 below which are self explanatory.
2. The Company has adopted Indian Accounting Standard ('Ind AS') notified by the Ministry of Corporate Affairs with effect from April 01, 2017 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under section 133 of the Companies Act, 2013 read with rules issued thereunder. The date of transition is April 01, 2016. The impact of transition if any, has been accounted for in opening reserves and the comparative period results has been restated accordingly.
3. 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 Indian Accounting Standard (Ind AS) -108 Operating Segments is not applicable.
4. In absence of probable future taxable profit, the Company has recognised deferred tax assets only to the extent of deferred tax liability, as stipulated by Indian Accounting Standard (Ind AS) -12.
5. During the year ended September 30, 2012, State Bank of India (SBI) has unilaterally cancelled the forward contracts and debited ₹. 1178.81 lakhs, 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 transfered 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.
6. 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.
7. The company has not provided interest on unsecured intercorporate loan of ₹. 962.78 lakhs from related party and unsecured loan of ₹. 150.00 lakhs received from non-related party.
8. The Company suspended operations in September, 2015 to contain losses due to un-favourable 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. The financial statements as at 30-09-2015 and afterwards have been therefore been prepared on non going concern basis.
9. The Ind AS compliant financial results for the quarter and nine months ended December 31, 2016 have not been subjected to limited review or audit. However, the management has exercised necessary due diligence to ensure that financial results provide true and fair view of its affairs.
10. There is no change in results between previously reported (referred to as "Previous GAAP") and Ind AS for the quarter ended December 31, 2016, hence reconciliation for the same is not given.
11. The figures have been re-grouped and re-classified, wherever necessary to make them comparable.

By the order of the Board

U.Kanoria

Chairman & Managing Director

DIN:00081108

Kolkata, the 6th February, 2018

B. R. Shah & Associates
Chartered Accountants

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Opp. Old RBI, Ashram Road,
Ahmedabad 380009
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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 of Kanco Enterprises Limited (the "Company") for the quarter and nine months ended December 31, 2017 (the "Statement"). 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") read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016, 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 lakhs, arising out of Cancellation of Forward Contract. On account of this, accumulated loss as at March 31, 2017 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 other equity is not determinable.

   (c) the company has not provided interest on unsecured intercorporate loan of Rs. 962.78 lakhs from related party and unsecured loan of Rs. 150 lakhs received from non-related party. On account of this, for the quarter ended December 31, 2017; September 30, 2017; December 31, 2016, Nine months ended December 31, 2017 and Nine months ended December 31, 2016 stated in attached statement of profit and loss is lower by Rs. 28.89 lakh, 28.70 lakhs, Rs. 13.63 lakhs, Rs. 85.62 and Rs. 40.75 lakh respectively. If this interest provision would have been accounted then losses per share for the quarter ended December 31, 2017; September 30, 2017; December 31, 2016, Nine months ended December 31, 2017 and Nine months ended December 31, 2016 would have been higher by Rs.0.16, Rs. 0.16, Rs. 0.08, Rs. 0.48 and Rs. 0.23 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 September 30, 2017 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 Indian Accounting Standards under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder 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, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016 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 06, 2018

KANCO ENTERPRISES LIMITED

Registered Office: 'Jasmine Tower' 3rd Floor, 31,Shakespeare Sarani, Kolkata - 700017
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Statement of Standalone Unaudited Financial Results for the Quarter and Nine Months Ended 31st December, 2017

(₹ in Lakhs)

Sl. No.	Particulars	Quarter ended 31/12/2017	Quarter ended 30/09/2017	Quarter ended 31/12/2016	Nine Months ended 31/12/2017	Nine Months ended 31/12/2016
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1.	Total Income from Operations (net)	-	8	15	9	39
2.	Net Profit/(Loss) for the period (before tax, Exceptional and/or Extraordinary items)	(325)	(314)	(352)	(948)	(1077)
3.	Net Profit/(Loss) for the period before tax (after Exceptional and/or Extraordinary items)	(325)	(314)	(352)	(948)	(1077)
4.	Net Profit/(Loss) for the period after tax (after Exceptional and/or Extraordinary items)	(325)	(314)	(352)	(948)	(1077)
5.	Total Comprehensive Income for the period (Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (after tax)	(325)	(314)	(352)	(948)	(1077)
6.	Equity Share Capital	1793	1793	1793	1793	1793
7.	Earning Per Share (of ₹10/- each) (for continuing and discontinued operations) -					
	a) Basic (₹) (*not annualised)	(1.81)*	(1.75)*	(1.96)*	(5.29)*	(6.01)*
	b) Diluted (₹) (*not annualised)	(1.81)*	(1.75)*	(1.96)*	(5.29)*	(6.01)*

Note:

1 The above is an extract of the detailed format of Quarterly Results filed with the 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.cse-india.com and on the Company website: http://kanco.in.

2 There is no change in results between previously reported (referred to as "Previous GAAP") and Ind AS for the quarter and nine months ended December 31, 2016, hence reconciliation for the same is not given.

3 The Company has adopted Indian Accounting Standard ('Ind AS') notified by the Ministry of Corporate Affairs with effect from April 01, 2017 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under section 133 of the Companies Act, 2013 read with rules issued thereunder. The date of transition is April 01, 2016. The impact of transition if any, has been accounted for in opening reserves and the comparative period results has been restated accordingly.

KANCO ENTERPRISES LTD. KOL—17

By the order of the Board

U.Kanoria
Chairman & Managing Director
DIN : 00081108

Place: Kolkata
Date : 6th February, 2018