



KANCO ENTERPRISES LIMITED

Registered Office : "Jasmine Tower", 3rd Floor
31 Shakespeare Sarani, Kolkata - 700 017, India, Telefax : 2281-5217
E-mail : compliance@kanco.in, Website : www.kanco.in
Corporate Identity Number (CIN)-L51909WB1991PLC053283

Ref: Kanco_BMeeting

November 11, 2016

To,
The Manager,
Corporate Affairs Department,
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400001

Scrip Code/ID-590084/KANCOENT

Dear Sir,

Sub-Regulation 33 of SEBI (LODR) Regulations 2015

This is to inform you that the Board of Directors of the Company at their Meeting held today i.e 11th November, 2016 has considered and approved the Standalone unaudited financial results along with Limited Review Report for the quarter and six months ended 30th September, 2016.

The Board Meeting commenced at 4:30 P.M and concluded at 5.15P.M

Thanking you,
For Kanco Enterprises Limited

Anupama Goel

Anupama Goel
Company Secretary & Compliance Officer

Encl:a/a

PART I - STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30TH SEPTEMBER, 2016							(₹. in Lacs)
Sl. No.	Particulars	Quarter Ended			Six Months Ended		Eighteen Months Ended
		30.09.2016	30.06.2016	30.09.2015	30.09.2016	30.09.2015	31.03.2016
		(Unaudited)			(Unaudited)		(Audited)
1.	Income from operations						
	(a) Net sales/income from operations (Net of excise duty)	-	-	3,492	-	6,980	14,174
	(b) Other operating income	-	2	-	2	20	41
	Total income from operations (net)	-	2	3,492	2	7,000	14,215
2.	Expenses						
	(a) Cost of materials consumed	-	-	2,270	-	4,659	9,356
	(b) Changes in inventories of finished goods, work-in progress and stocks-in-trade	-	-	524	-	410	617
	(c) Employee benefits expense	25	27	284	52	592	1,268
	(d) Power & fuel	3	2	397	5	946	1,990
	(e) Depreciation and amortisation expense	71	71	73	142	144	432
	(f) Selling & distribution expense	-	-	36	-	104	206
	(g) Other expenses	22	19	193	41	410	925
	Total expenses	121	119	3,777	240	7,265	14,794
3.	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	(121)	(117)	(285)	(238)	(265)	(579)
4.	Other income	4	18	-	22	21	73
5.	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	(117)	(99)	(285)	(216)	(244)	(506)
6.	Finance costs	265	244	241	509	517	1,427
7.	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(382)	(343)	(526)	(725)	(761)	(1,933)
8.	Exceptional items	-	-	-	-	-	-
9.	Profit / (Loss) from ordinary activities before tax (7+8)	(382)	(343)	(526)	(725)	(761)	(1,933)
10.	Tax expenses	-	-	-	-	-	-
11.	Net Profit / (Loss) from ordinary activities after tax (9-10)	(382)	(343)	(526)	(725)	(761)	(1,933)
12.	Extraordinary items (net of tax expenses)	-	-	-	-	-	-
13.	Net Profit / (Loss) for the period (11-12)	(382)	(343)	(526)	(725)	(761)	(1,933)
14.	Paid-up equity share capital (Face value per share ₹.10/-)	1793	1793	1793	1793	1,793	1,793
15.	Reserves excluding revaluation reserve	-	-	-	-	-	(5,494)
16.	Earning per share (before & after extraordinary items) (of ₹.10 each)						
	a. Basic (not annualised)	(2.13)	(1.91)	(2.93)	(4.04)	(4.24)	(10.78)
	b. Diluted (not annualised)	(2.13)	(1.91)	(2.93)	(4.04)	(4.24)	(10.78)

Statement of Assets and Liabilities				(₹. in Lacs)
Sl. No.	Particulars	As at		
		30/09/2016	31/03/2016	
		(Unaudited)	(Audited)	
A	Equity and Liabilities			
1	Shareholders' Funds:			
	(a) Share Capital	1,793	1,793	
	(b) Reserves and Surplus	(8,266)	(7,540)	
	Sub-total - Shareholders' Funds	(6,473)	(5,747)	
2	Non-Current Liabilities			
	(a) Long-Term Borrowings	434	434	
	(b) Long-Term Provisions	-	-	
	Sub-total - Non-Current Liabilities	434	434	
3	Current Liabilities			
	(a) Short-Term Borrowings	1,938	1,938	
	(b) Trade Payables	46	96	
	(c) Other Current Liabilities	6,095	5,634	
	(d) Short-Term Provisions	5	5	
	Sub-total - Current Liabilities	8,084	7,673	
	Total Equity and Liabilities	2,045	2,360	
B	Assets			
1	Non-Current Assets			
	(a) Fixed Assets	1,713	1,855	
	(b) Long-Term Loans and Advances	219	138	
	Sub-total Non-Current Assets	1,932	1,993	
2	Current Assets			
	(a) Current Investments	-	-	
	(b) Inventories	48	66	
	(c) Trade Receivable	-	-	
	(d) Cash and Cash Equivalents	41	126	
	(e) Short-Term Loans and Advances	24	175	
	Sub-Total Current Assets	113	367	
	Total Assets	2,045	2,360	



Notes:

1. The above financial results were reviewed by the Audit Committee and approved at the meeting of Board of Directors held on November 11, 2016; 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.
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 ₹.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. The company Company has not provided interest for the period from April 1, 2015 to September 30, 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.
7. 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.
8. 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.
9. The results for the six months ended 30th September, 2015 are derived figures arrived at by subtracting the results for six months ended on 31st March, 2015 from the results for the twelve months ended 30th September, 2015.
10. 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 11th November, 2016

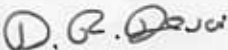


LIMITED REVIEW REPORT

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") and the statement of assets and liabilities as on that date (the "Statement") of Kanco Enterprises Limited (the "Company") for the quarter ended September 30, 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 September 30, 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. 81.21 lacs. On account of this, for the quarter ended September 30, 2016, Quarter ended June 30, 2016, Six months ended September 30, 2016 and eighteen months ended March 31, 2016, stated in attached statement of profit and loss is lower by Rs. 13.63 lacs, Rs. 13.49 lacs, Rs. 27.12 lacs and Rs. 54.09 lacs respectively. If this interest provision would have been accounted then losses per share for quarter ended September 30, 2016, quarter ended June 30, 2016, six months ended September 30, 2016 and eighteen months ended March 31, 2016 would have been higher by Rs. 0.08, Rs. 0.07, Rs. 0.15 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 30-09-2016 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



Deval Desai
Partner
Membership No. 132426



Ahmedabad
Date: November 11, 2016