

EASTERN SILK INDUSTRIES LTD.

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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER & NINE MONTHS ENDED 31ST DECEMBER, 2019**PREPARED IN COMPLIANCE WITH THE INDIAN ACCOUNTING STANDARDS(IND-AS)**

(` in Lakhs)

Sl No.	Particulars	Quarter Ended			Nine months Ended		Year Ended
		31/12/2019 (Unaudited)	30/09/2019 (Unaudited)	31/12/2018 (Unaudited)	31/12/2019 (Unaudited)	31/12/2018 (Unaudited)	31/03/2019 (Audited)
1	Revenue						
	a) Revenue from Operation	4,756.42	1,969.34	1,617.71	8,318.98	4,218.01	6,523.58
	b) Other income	18.77	395.83	27.53	432.78	68.52	91.47
	Total Revenue	4,775.19	2,365.17	1,645.24	8,751.76	4,286.53	6,615.05
2	Expenses						
	(a) Cost of materials consumed	334.55	221.61	155.28	742.60	523.82	779.58
	(b) Purchases of stock-in-trade	731.38	933.23	440.21	1,885.21	920.85	1,215.59
	(c) Changes in inventories of Finished Goods, Work-in- Progress and Stock-in-Trade	1,456.84	59.77	214.55	1,981.56	677.59	1,572.12
	(d) Employee benefit expenses	327.63	138.06	218.25	634.18	572.82	707.20
	(e) Finance cost	-	-	-	-	-	112.00
	(f) Depreciation	142.59	140.92	182.62	428.35	544.76	717.90
	(g) Other Expenses	1,880.52	602.44	656.66	3,013.52	1,780.16	2,472.27
	Total expenses	4,873.51	2,096.03	1,867.57	8,685.42	5,020.00	7,576.66
3	Profit / (Loss) from operations before exceptional items (1-2)	(98.32)	269.14	(222.33)	66.34	(733.47)	(961.61)
4	Exceptional items	-	-	-	-	-	-
5	Profit / (Loss) from ordinary activities before tax (3+4)	(98.32)	269.14	(222.33)	66.34	(733.47)	(961.61)
6	Tax expenses						
	(a) Provision for taxation-Current	-	-	-	-	-	-
	(b) Income-tax for Earlier years	0.05	-	-	0.05	-	1.19
	(c) Provision for tax-Deferred	-	-	-	-	-	-
7	Net Profit / (Loss) for the period	(98.37)	269.14	(222.33)	66.29	(733.47)	(962.80)
8	Other Comprehensive Income (OCI)						
	(a) Item that will not be reclassified to Profit & Loss (Net of Tax)	0.08	(0.17)	(0.18)	0.20	(0.61)	(4.43)
	(b) Item that will be reclassified to Profit & Loss (Net of Tax)	-	-	-	-	-	-
9	Total Comprehensive Income(After tax)	(98.29)	268.97	(222.51)	66.49	(734.08)	(967.23)
10	Paid-up equity share capital	1,579.05	1,579.05	1,579.05	1,579.05	1,579.05	1,579.05
	(Face Value of each share- ` 2/-)						
11	Earnings per share						
	(of ` 2/-each) (not annualised):						
	(a) Basic	(0.12)	0.34	(0.28)	0.08	(0.93)	(1.22)
	(b) Diluted	(0.12)	0.34	(0.28)	0.08	(0.93)	(1.22)

Notes :	
1	The operation of the Company relate to only one segment viz. Textiles and therefore, has only one reportable segment in accordance with Ind AS 108 "operating segments".
2	Out of the 11(Eleven) Consortium members, the Company have already settled with 4(four) banks/financial Institutions on One Time Settlement (OTS) basis and entered into a settlement arrangement through ARC's for 6(Six) banks/financial Institutions and efforts are going on and the Company is hopeful to arrive at the settlement arrangement soon with the remaining financial institution. In view of the above no provision in respect of interest payable, amounting to ` 3,101.98 Lakhs, to the remaining financial institution for the period April'2014 to December'2019 has been made in the Statement of Accounts, as the management is hopeful of substantial relief on settlements with the same.
3	'No Lien Term Deposit' with the consortium bankers for ` 2,400.00 Lakhs towards 5% deposit of the amount outstanding against the offer of one time settlement were made, of which ` 392.59 Lakhs have been appropriated by few banks/financial Institutions towards recovery of their overdue interest. The same has not been recognized by the Company and no adjustment has been made and the principal amount of deposit is continued to be shown as 'No Lien Term Deposit' without accounting for interest accruals. In view of the arbitrary and unilateral decision of the Banks, no provision for interest accrued has been made in the Statement of Accounts.
4	The Promoters' shareholding remains encumbered in favour of Allahabad bank, Leader Bank of consortium of Banks. However as on 20th August, 2014 the CDR Scheme has been withdrawn.
5	This statement has been prepared in accordance with the Companies (Indian Accounting Standard) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standard) Accounting Rules, 2016.
6	Effective April 1, 2018, the Company has adopted Ind AS 115 'Revenue from contracts with customers'. Based on the assessment done by the management, there is no material impact on the revenue recognised during the period.
7	In terms of the Settlement Arrangement arrived with the ARC's, the Company failed to meet certain scheduled payment of Installments within the stipulated time resulting in Edelweiss Asset Reconstruction Company Limited (ARC) and ASREC (India) Ltd. (ARC) to move to the National Company Law Tribunal (NCLT), Kolkata Bench for recovery of their dues under Section 7 of the Insolvency and Bankruptcy Code (IBC). However the management is continuously discussing the present position of the Company with the concerned ARC's for withdrawal of the petition with NCLT and waiver of interest. Consequently, provision for interest amounting to Rs 560.98 lakhs for the period up to 31st December, 2019 has not been made in the books of accounts.
8	The order of the Hon'ble Court of Chief Judicial Magistrate at Bangalore and at Mysore for taking the physical possession of the properties at Karnataka by the Consortium members was challenged by the Company before the Hon'ble High Court of Karnataka, Bengaluru. The Company's petition before the Hon'ble High Court of Karnataka, Bengaluru has been disposed of during the last year with the remedy of filing an application under Section 17 of the SARFAESI Act, 2002. Accordingly the Company had filed the application under Section 17 of the SARFAESI Act, 2002 before the Hon'ble Debt Recovery Tribunal at Bengaluru.
9	During the relevant quarter provisions against the doubtful debtors amounting to ` 963.64 Lakhs has been created. Further the Company has also written off bad debts during the quarter amounting to ` 118.04 Lakhs. Total Provision aggregating Rs. 7,282.81 Lakhs has been made against outstanding overdue export debtors of Rs.7,374.46 Lakhs.
10	The above results have been reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on 31st January, 2020. The Statutory Auditors of the Company have carried out review of these results and the results are being published in accordance with Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.
11	There are no complaints pending both at the beginning and end of quarter.
12	Previous period/year's figures have been regrouped / rearranged wherever necessary to confirm to current period presentation.
Place : Kolkata	
Date : 31st January, 2020	
For EASTERN SILK INDUSTRIES LTD.	
S. SHAH	
DIN 00484311	
Chairman & Managing Director	