

EASTERN SILK INDUSTRIES LTD.

Regd. Office: 19, R.N. MUKHERJEE ROAD, KOLKATA- 700 001

Corporate Identity Number : L17226WB1946PLC013554

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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH SEPTEMBER, 2017

PREPARED IN COMPLIANCE WITH THE INDIAN ACCOUNTING STANDARDS(IND-AS)

(` in Lakhs)

Sl No.	Particulars	Quarter Ended			Six Months Ended	
		30/09/2017 (Unaudited)	30/06/2017 (Unaudited)	30/09/2016 (Unaudited)	30/09/2017 (Unaudited)	30/09/2016 (Unaudited)
1	Revenue					
	a) Revenue from Operation	1,223.62	1,244.70	1,514.82	2,468.32	3,015.31
	b) Other income	2.12	16.50	12.40	18.62	474.50
	Total Revenue	1,225.74	1,261.20	1,527.22	2,486.94	3,489.81
2	Expenses					
	(a) Cost of materials consumed	174.87	245.18	344.75	420.05	721.10
	(b) Purchases of stock-in-trade	205.12	605.22	535.30	810.34	993.61
	(c) Purchase Return of stock-in-Trade	-	-	-	-	-
	(d) Changes in inventories of Finished Goods, Work-in- Progress and Stock-in-Trade	91.21	(241.88)	(164.52)	(150.67)	(350.84)
	(e) Employee benefit expenses	191.29	187.38	158.94	378.67	356.45
	(f) Finance cost (refer to note no 2)	-	-	-	-	-
	(g) Depreciation	221.88	220.00	259.79	441.88	548.57
	(h) Provision for doubtful debts (net)	-	-	-	-	4,297.82
	(i) Other Expenses	592.47	566.37	724.75	1,158.84	1,402.71
	Total expenses	1,476.84	1,582.27	1,859.01	3,059.11	7,969.42
3	Profit / (Loss) from operations before exceptional items (1-2)	(251.10)	(321.07)	(331.79)	(572.17)	(4,479.61)
4	Exceptional items	-	-	-	-	3,816.00
5	Profit / (Loss) from ordinary activities before tax (3+4)	(251.10)	(321.07)	(331.79)	(572.17)	(663.61)
6	Tax expenses					
	(a) Provision for taxation-Current	-	-	-	-	-
	(b) Income-tax for Earlier years	-	0.03	-	0.03	-
	(c) Provision for tax-Deferred	-	-	-	-	-
7	Net Profit / (Loss) for the period	(251.10)	(321.10)	(331.79)	(572.20)	(663.61)
8	Other Comprehensive Income (OCI)					
	(a) Item that will not be reclassified to Profit & Loss (Net of Tax)	0.04	(0.04)	(0.08)	-	(0.06)
	(b) Item that will be reclassified to Profit & Loss (Net of Tax)					
9	Total Comprehensive Income(After tax)	(251.06)	(321.14)	(331.87)	(572.20)	(663.67)
10	Paid-up equity share capital	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	(0.32)	(0.41)	(0.42)	(0.72)	(0.84)
	(b) Diluted	(0.32)	(0.41)	(0.42)	(0.72)	(0.84)

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(` in Lakhs)

STATEMENT OF UNAUDITED ASSETS AND LIABILITIES AS AT 30TH SEPTEMBER, 2017

Particulars	As at 30/09/2017 (Unaudited)
ASSETS	
1 Non-current assets	
(a) Property, Plant and Equipment	6,458.10
(b) Financial Assets	
(i) Investments	1.81
(c) Deferred Tax Asset (Net)	4,572.98
(d) Other Non Current Assets	80.16
Total Non Current Assets	11,113.05
2 Current assets	
(a) Inventories	6,499.32
(b) Financial Assets	
(i) Trade receivables	4,813.30
(ii) Cash and cash equivalents	1,709.83
(c) Current Tax Assets (Net)	24.01
(d) Other Current Assets	462.63
Total Current assets	13,509.09
TOTAL - ASSETS	24,622.14
EQUITY AND LIABILITIES	
1 Equity	
(a) Equity Share capital	1,579.05
(b) Other Equity	(4,903.17)
Total Equity	(3,324.12)
2 Liabilities	
i) Non-Current Liabilities	
(a) Financial Liabilities	
- Borrowings	17,989.76
(b) Long Term Provisions	39.11
Total Non Current Liabilities	18,028.87
ii) Current Liabilities	
(a) Financial Liabilities	
(i) Borrowings	1,567.48
(ii) Trade Payables	645.95
(b) Other Current Liabilities	7,463.38
(c) Short Term provisions	240.58
Total Current Liabilities	9,917.39
TOTAL - EQUITY AND LIABILITIES	24,622.14

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	<p>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 5(five) banks/financial Institutions and efforts are going on and the Company is hopeful to arrive at the settlement arrangement soon with the remaining 2(Two) banks/financial Institutions.</p> <p>Further, Allahabad Bank vide their letter dated 04th October, 2017, has informed about its Loan exposures on the Company has been assigned to Omkara Assets Reconstruction (P) Ltd. Subsequently, Omkara Assets Reconstruction (P) Ltd. vide their letter dated 14th Novemeber, 2017 confirmed the said assignment with the Allahabad Bank by an assignment agreement dated 18th September, 2017. However, pending completion/execution of necessary agrrement etc. no impact has been considered in the results for the quarter and six month ended 30th September 2017.</p> <p>In view of the above no provision in respect of interest payable, amounting to ` 7,245.27 Lacs, to the banks and financial institutions for the period April`2014 to September`2017 has been made in the Statement of Accounts, as the management is hopeful of substantial relief on settlements with the banks/financial Institutions</p>			
3	'No Lien Term Deposit' with the consortium bankers for ` 2,400.00 Lacs towards 5% deposit of the amount outstanding against the offer of one time settlement were made, of which ` 941.99 Lacs 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 the Lenders. 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 Standards) Rules, 2015(Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning April 1, 2017, the Company has for the first time adopted Ind AS with a transition date of April 1,2016.			
6	The Ind AS compliant financial results, pertaining to the quarter and Six month ended 30th Sept, 2016 have not been subject to limited review or audit. However, the management has excercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.			
7	There is a possibility that these quarterly financial results may require adjustment before constituting the final Ind AS Financial statements as of and for the year ending 31st March 2018 due to changes in financial reporting requirements arising from new or revised standards or interpretations issued by MCA or changes in the use of one or more optional exemptions from full retrospective application as permitted under Ind AS 101.			
8	The statement does not include Ind AS compliant Statement of Results & Statement of Assets and Liabilities for the previous year ended March 31, 2017 as the same is not mandatory as per SEBI's circular dated July 5, 2016.			
9	There are no complaints pending both at the beginning and end of quarter.			
10	The above results have been reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on 14th December, 2017. The Statutory Auditors of the Company have carried out audit of these results and the results are being published in accordance with Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015			
11	The reconciliation of "Net Profit/(Loss)" reported in accordance with Indian GAAP to "Total Comprehensive Income" in accordance with Ind AS is given below :-			
		(` in Lakhs)		
	Description	Quarter ended 30/09/2016	Six Months ended 30/09/2016	
	Net Profit/(Loss) as per Previous GAAP (Indian GAAP)	(331.79)	(663.61)	
	Ind AS adjustment :			
	Other Comprehensive Income (OCI) (Net of Tax)			
	- Gain/(Loss) on Investment measured at Fair Value	(0.08)	(0.06)	
	Total Comprehensive Income	(331.87)	(663.67)	
12	Previous period/year's figures have been regrouped / rearranged wherever necessary to confirm to current period presentation.			
Place :	Kolkata			For EASTERN SILK INDUSTRIES LTD.
Date	14th December,2017			
				S.S.SHAH
				DIN 00491097
				Chairman & Managing Director