

## EASTERN SILK INDUSTRIES LTD.

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

Corporate Identity Number : L17226WB1946PLC013554

Phone : 033-22430817, Fax-033-22482486

Email :investors@easternsilk.com

Website:www.easternsilk.com

### STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2018

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

Sl No.	Particulars	( ` in Lakhs)					
		Quarter Ended			Half Year Ended		Year Ended
		30/09/2018 (Unaudited)	30/06/2018 (Unaudited)	30/09/2017 (Unaudited)	30/09/2018 (Unaudited)	30/09/2017 (Unaudited)	31/03/2018 (Audited)
<b>1</b>	<b>Revenue</b>						
	a) Revenue from Operation	1,221.72	1,378.58	1,223.62	2,600.30	2,468.32	5,149.32
	b) Other income	26.57	14.42	2.12	40.99	18.62	54.48
	<b>Total Revenue</b>	<b>1,248.29</b>	<b>1,393.00</b>	<b>1,225.74</b>	<b>2,641.29</b>	<b>2,486.94</b>	<b>5,203.80</b>
<b>2</b>	<b>Expenses</b>						
	(a) Cost of materials consumed	190.08	178.46	174.87	368.54	420.05	703.56
	(b) Purchases of stock-in-trade	280.18	200.46	205.12	480.64	810.34	1,280.38
	(c) Changes in inventories of Finished Goods, Work-in- Progress and Stock-in-Trade	77.96	385.08	91.21	463.04	(150.67)	142.76
	(d) Employee benefit expenses	197.17	157.40	191.29	354.57	378.67	778.40
	<b>(e) Finance cost</b>	-	-	-	-	-	112.00
	(f) Depreciation	182.05	180.09	221.88	362.14	441.88	876.05
	(g) Other Expenses	620.56	502.94	592.47	1,123.50	1,158.84	5,117.17
	<b>Total expenses</b>	<b>1,548.00</b>	<b>1,604.43</b>	<b>1,476.84</b>	<b>3,152.43</b>	<b>3,059.11</b>	<b>9,010.32</b>
<b>3</b>	<b>Profit / (Loss) from operations before exceptional items (1-2)</b>	<b>(299.71)</b>	<b>(211.43)</b>	<b>(251.10)</b>	<b>(511.13)</b>	<b>(572.17)</b>	<b>(3,806.52)</b>
<b>4</b>	<b>Exceptional items</b>						5,910.03
<b>5</b>	<b>Profit / (Loss) from ordinary activities before tax ( 3+4)</b>	<b>(299.71)</b>	<b>(211.43)</b>	<b>(251.10)</b>	<b>(511.13)</b>	<b>(572.17)</b>	<b>2,103.51</b>
<b>6</b>	<b>Tax expenses</b>						
	(a) Provision for taxation-Current	-	-	-	-	-	-
	(b) Income-tax for Earlier years	-	-	-	-	0.03	0.03
	(c) Provision for tax-Deferred	-	-	-	-	-	-
<b>7</b>	<b>Net Profit / (Loss) for the period</b>	<b>(299.71)</b>	<b>(211.43)</b>	<b>(251.10)</b>	<b>(511.14)</b>	<b>(572.20)</b>	<b>2,103.48</b>
<b>8</b>	<b>Other Comprehensive Income (OCI)</b>						
	(a) Item that will not be reclassified to Profit & Loss (Net of Tax)	0.21	(0.64)	0.04	(0.43)	-	19.06
	(b) Item that will be reclassified to Profit & Loss (Net of Tax)	-	-	-	-	-	-
<b>9</b>	<b>Total Comprehensive Income(After tax)</b>	<b>(299.50)</b>	<b>(212.07)</b>	<b>(251.06)</b>	<b>(511.57)</b>	<b>(572.20)</b>	<b>2,122.54</b>
<b>10</b>	<b>Paid-up equity share capital</b>	<b>1,579.05</b>	<b>1,579.05</b>	<b>1,579.05</b>	<b>1,579.05</b>	<b>1,579.05</b>	<b>1,579.05</b>
	(Face Value of each share- ` 2/-)						
<b>11</b>	<b>Earnings per share</b>						
	<b>(of ` 2/-each) (not annualised):</b>						
	(a) Basic	(0.38)	(0.27)	(0.32)	(0.65)	(0.72)	2.66
	(b) Diluted	(0.38)	(0.27)	(0.32)	(0.65)	(0.72)	2.66

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(` in Lakhs)

**STATEMENT OF AUDITED ASSETS AND LIABILITIES AS AT 30 TH SEPTEMBER , 2018**

	Particulars	As at 30/09/2018	As at 31/03/2018
		(Unaudited)	(Audited)
<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>		
	(a) Property, Plant and Equipment	5,860.88	6,039.26
	(b) Capital Work In Progress	-	17.25
	(c) Financial Assets		
	(i) Investments	1.65	2.07
	(ii) Others	-	-
	(d) Deferred Tax Asset (Net)	4,572.98	4,572.98
	(e) Other Non Current Assets	95.87	126.47
	<b>Total Non Current Assets</b>	<b>10,531.38</b>	<b>10,758.03</b>
<b>2</b>	<b>Current assets</b>		
	(a) Inventories	5,903.46	6,270.51
	(b) Financial Assets		
	(i) Trade receivables	2,809.63	2,520.27
	(ii) Cash and cash equivalents	325.66	322.84
	(iii) Bank Balance other than (ii) above	472.04	469.51
	(c) Current Tax Assets (Net)	39.94	48.98
	(d) Other Current Assets	821.18	733.96
	<b>Total Current assets</b>	<b>10,371.91</b>	<b>10,366.07</b>
	<b>TOTAL - ASSETS</b>	<b>20,903.29</b>	<b>21,124.10</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>		
	(a) Equity Share capital	1,579.05	1,579.05
	(b) Other Equity	(3,503.99)	(2,992.43)
	<b>Total Equity</b>	<b>(1,924.94)</b>	<b>(1,413.38)</b>
<b>2</b>	<b>Liabilities</b>		
<b>i)</b>	<b>Non-Current Liabilities</b>		
	(a) Financial Liabilities		
	- Borrowings	1,400.00	1,400.00
	(b) Provisions	33.60	33.60
	<b>Total Non Current Liabilities</b>	<b>1,433.60</b>	<b>1,433.60</b>
<b>ii)</b>	<b>Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	13,986.71	13,855.71
	(ii) Trade Payables	547.07	641.95
	(iii) Others	4.76	4.76
	(b) Other Current Liabilities	6,691.77	6,356.48
	(c) Short Term provisions	164.32	244.98
	<b>Total Current Liabilities</b>	<b>21,394.63</b>	<b>21,103.88</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>20,903.29</b>	<b>21,124.10</b>

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 ` 2,426.93 Lakhs, to the the remaining financial institution for the period April'2014 to September '2018 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 the Lenders as per the terms/stipulation mentioned under CDR Scheme dated 4th Feb, 2012. 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	There are no complaints pending both at the beginning and end of quarter.		
8	Board of Directors has been mandated by the shareholders/members of the Company at the72nd Annual General Meeting, held on 25.07.2018, to exercise the requisite power to sell, lease or otherwise dispose of the Company's Unit at 11A, 2nd Cross Industrial Area, Nanjungud, Karnataka 571 301 on an "as is where is" basis. The said unit has been inoperative since 2011 and sale of the said Undertaking will not have any impact on the Company's existing operations and its going concern assumption. Further the Board fails to obtain No Objection Certificate from the Exim Bank and the Company finds it difficult to execute the sale/transfer of the said asset in absence of NOC from the EXIM Bank resulting in non-classification of the said asset as "Asset Held for Sale".		
9	The above results have been reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on 14th November, 2018. 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.		
10	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 November, 2018		<b>S.S.SHAH</b>
			DIN 00491097
			Chairman & Managing Director