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Eastern Silk Industries Ltd.

CIN : L17226WB1946PLC013554

Mailing Address : G. P. O. BOX No. 2174, Kolkata - 700 001
E-mail : sales@easternsilk.com • Web : www.easternsilk.com

EC:da: 501

May 30, 2015

National Stock Exchange of India
"Exchange Plaza"
Bandra – Kurla Complex
Bandra (E)
Mumbai 400 051

Dear Sirs,

Further to our letter No. EC: da:426 dated 18th May, 2015, we have to advise you that the Board of Directors at their meeting held today have considered the Annual Accounts of the Company for the year ended 31st March, 2015.

Pursuant to Clause 20 of the Listing Agreement the outcome of the Board Meeting are as follows:

	<u>Rs.in Lacs</u>
Revenue from operation	6101.77
Profit /(Loss) before finance cost, Depreciation and exceptional items	(3177.24)
(Less): Depreciation	(2023.08)
(Less): Finance cost	(234.53)
Add/(Less): Exceptional Items	1746.61
Net Profit/(Loss)	(3688.24)

In view of the losses the Directors have decided not to recommend any dividend on the Equity Capital.

We enclose herewith a copy of Audited Financial Results of the Company for the Quarter and year ended 31st March, 2015 as per requirement of Clause 41 of the Listing Agreement.

Thanking you,

Yours faithfully,
For EASTERN SILK INDUSTRIES LTD.

(Deepak Agarwal)
Company Secretary

Encl: as above

EASTERN SILK INDUSTRIES LTD.

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

Corporate Identity Number : L17226WB1946PLC013554

Phone : 033-22430817, Fax-033-22482486

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PART I

STATEMENT OF AUDITED RESULTS FOR THE QUARTER / YEAR ENDED 31ST MARCH, 2015

(₹ in Lakhs)

Sl No.	Particulars	Quarter Ended			Year Ended	
		31/03/2015 (Audited)	31/12/2014 (Unaudited)	31/03/2014 (Audited)	31/03/2015 (Audited)	31/03/2014 (Audited)
1	Income from operations					
	(a) Net sales/income from operations	1,654.70	1512.96	1,707.65	5,792.67	7,804.09
	(b) Other operating income	89.53	33.94	58.65	309.10	158.67
	Total income from operations (net)	1,744.23	1546.90	1,766.30	6,101.77	7,962.76
2	Expenses					
	(a) Cost of materials consumed	308.03	362.70	121.45	1,133.72	891.77
	(b) Purchases of stock-in-trade	311.25	280.48	464.63	1,206.83	2,276.98
	(c) Changes in inventories of Finished Goods, Work-in- Progress and Stock-in-Trade	828.87	50.14	192.50	966.61	2,222.53
	(d) Employee benefit expenses	267.72	164.72	163.91	732.86	567.28
	(e) Depreciation	1,083.06	225.92	396.23	2,023.08	1,567.52
	(f) Provision for doubtful debts (net)	2,016.25	-	1,737.97	2,016.25	8,981.39
	(g) Other Expenses	2,388.65	727.02	664.00	4,254.26	2,517.22
	Total expenses	7,203.83	1810.98	3,740.69	12,333.61	19,024.69
3	Profit / (Loss) from operations before other income, finance cost and exceptional items (1-2)	(5,459.60)	(264.08)	(1,974.39)	(6,231.84)	(11,061.93)
4	Other income	874.10	51.62	2,188.62	1,031.52	2,549.81
5	Profit / (Loss) from ordinary activities before finance cost and exceptional items (3 + 4)	(4,585.50)	(212.46)	214.23	(5,200.32)	(8,512.12)
6	Finance cost	22.00	83.19	1,207.03	234.53	4,826.41
7	Profit / (Loss) from ordinary activities after finance cost but before exceptional items (5 - 6)	(4,607.50)	(295.65)	(992.80)	(5,434.85)	(13,338.53)
8	Exceptional items	1,747.11	-	(284.21)	1,746.61	(306.21)
9	Profit / (Loss) from ordinary activities before tax (7 - 8)	(2,860.39)	(295.65)	(1,277.01)	(3,688.24)	(13,644.74)
10	Tax expenses					
	(a) Provision for taxation-Current	-	-	-	-	-
	(b) Income-tax for Earlier years	-	-	-	-	-
	(c) Provision for tax-Deferred	-	-	-	-	-
11	Profit / (Loss) from ordinary activities after tax (9 - 10)	(2,860.39)	(295.65)	(1,277.01)	(3,688.24)	(13,644.74)
12	Extraordinary items	-	-	-	-	-
13	Net Profit / (Loss) for the period	(2,860.39)	(295.65)	(1,277.01)	(3,688.24)	(13,644.74)
14	Paid-up equity share capital	1579.05	1579.05	1,579.05	1,579.05	1,579.05
	(Face Value of each share- ₹ 2/-)					
15	Reserve	-	-	-	(8,513.13)	(3,800.13)
16.i	Earnings per share (before extraordinary items)					
	(of ₹ 2/-each) (not annualised):					
	(a) Basic	(3.62)	(0.37)	(1.62)	(4.84)	(17.45)
	(b) Diluted	(3.62)	(0.37)	(1.62)	(4.84)	(17.45)
16.ii	Earnings per share (after extraordinary items)					
	(of ₹ 2/-each) (not annualised):					
	(a) Basic	(3.62)	(0.37)	(1.62)	(4.84)	(17.45)
	(b) Diluted	(3.62)	(0.37)	(1.62)	(4.84)	(17.45)

Part II Selected Information

A	PARTICULARS OF SHAREHOLDING					
1	Public shareholding					
	(a) Number of shares	3,84,64,269	3,84,64,269	3,84,64,269	3,84,64,269	3,84,64,269
	(b) Percentage of shareholding	48.72	48.72	48.72	48.72	48.72
2	Promoters and Promoter Group Shareholding					
	a) Pledged / Encumbered					
	- Number of shares	4,04,88,351	4,04,88,351	4,04,88,351	4,04,88,351	4,04,88,351
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	100	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the Company)	51.28	51.28	51.28	51.28	51.28
	b) Non - encumbered					
	- Number of shares	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil	Nil
B	Particulars	Beginning	Received	Resolved	Unresolved	
	INVESTOR COMPLAINTS					
	for the quarter ended 31.03.2015	NIL	NIL	NIL	NIL	

CERTIFIED TRUE COPY
For EASTERN SILK INDUSTRIES LTD.

MG. DIRECTOR

EASTERN SILK INDUSTRIES LTD.

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

STATEMENT OF ASSETS AND LIABILITIES AS AT 31 ST MARCH, 2015

(₹ in Lakhs)

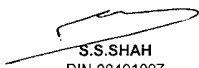
	Particulars	As at current year end 31/03/2015 (Audited)	As at previous year end 31/03/2014 (Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	2,979.05	2,979.05
	(b) Reserves and surplus	(8,513.13)	(3,800.13)
	(c) Money received against share warrants	-	-
	Sub-total - Shareholders' funds	(5,534.08)	(821.08)
2	Non-current liabilities		
	(a) Long-term borrowings	40,111.46	41,661.24
	(b) Deferred tax liabilities (net)	-	-
	(c) Other long-term liabilities	-	-
	(d) Long-term provisions	16.06	17.76
	Sub-total - Non-current liabilities	40,127.52	41,679.00
3	Current liabilities		
	(a) Short-term borrowings	5,865.72	6,224.03
	(b) Trade payables	446.44	274.08
	(c) Other current liabilities	2,723.73	3090.21
	(d) Short-term provisions	147.22	113.45
	Sub-total - current liabilities	9,183.11	9,701.77
	TOTAL - EQUITY AND LIABILITIES	43,776.55	50,559.69
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	9,110.30	12,060.80
	(b) Non-current investments	0.39	0.39
	(c) Deferred Tax Asset	4,572.98	4,572.98
	(d) Long-term loans and advances	79.44	79.41
	(e) Other non-current assets	-	-
	Sub-total - Non-current assets	13,763.11	16,713.58
2	Current assets		
	(a) Current investments	-	-
	(b) Inventories	7,650.20	8,471.68
	(c) Trade receivables	18,347.02	21,972.16
	(d) Cash and cash equivalents	3,412.53	2,727.83
	(e) Short-term loans and advances	603.69	674.44
	(f) Other current assets	-	-
	Sub-total - current assets	30,013.44	33,846.11
	TOTAL - ASSETS	43,776.55	50,559.69

Notes :

- The operation of the Company relate to only one primary segment viz. Textiles.
- The Company has provided an amount of ₹ 3,697.22 Lacs as bad & doubtful debts and written off ₹ 1,680.97 Lacs as bad debts irrecoverable during the quarter, thus created an aggregate of provision of bad & doubtful debts of ₹ 12,665.10 Lacs which is considered adequate by the management for covering any shortfall in realization
- During the quarter the Company has concluded OTS with two lender Banks and paid their dues. Accordingly, the resultant amount of interest waiver is included as Income under 'Other Income' and the rebate on Principal is included under 'Exceptional Items'.
- (a) As per the provisions of Schedule II of the Companies Act, 2013, depreciation for the year year ended March 31, 2015 has been provided on the basis of the useful life of the assets.
(b) As a result of this the depreciation expenses in the statement of Profit & Loss Account is higher by ₹ 652.25 Lacs.
(c) No depreciation has been provided on the assets located at the Falta & Nanjangud units. In the year 2012-2013, assets located at the said units were impaired and both the units are inoperative since then.
- Interest payable to Banks & Financial Institutions for the period April '14 to Mar.'15 amounting to ₹ 6,557.70 lakhs has not been provided in view of the reference made by the Company to the BIFR on erosion of 100% networth as at 31st March, 2014.
- "NO LIEN Term Deposits" were opened with the consortium bankers for ₹ 2,400.00 lakhs being 5% of the total outstanding dues against offer of a One Time Settlement. Some of the bankers have appropriated an amount aggregating ₹ 1,809.40 Lacs towards overdue interest. On such appropriation no interest is accruing on the said deposits. The action by the bankers made on "No Lien" deposits has been pointed out and a request for reversal of such appropriation is pending. As such the company has not recognized this adjustment in the books of accounts and continues to show it as "NO LIEN Term Deposits" only, without accounting for interest accruals.
- 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.
- The above mentioned financial results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 30th May, 2015
- Previous period/year's figures have been regrouped / rearranged wherever necessary to confirm to current period presentation.

Place : Kolkata
Date : 30th May, 2015

For EASTERN SILK INDUSTRIES LTD.


S.S. SHAH
DIN 00491097
Chairman & Managing Director