

Regd. Office :
19, R. N. Mukherjee Road
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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

ESIL/2023-24/339

20th July 2023

National stock exchange of India Limited
"Exchange Plaza"
Bandra Kurla Complex
Bandra (E), Mumbai 400 051
NSE Symbol: EASTSILK

BSE Limited
Floor 25, P.J. Towers,
Dalal Street,
Mumbai 400 001
BSE Scrip Code: 590022

Dear Sirs,

Sub: Intimation under Regulation 30 read with Clause 17 of Part A of Schedule III of Securities and Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to the finding of Transaction Review Audit of the Corporate Debtor

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI - LODR Regulations") read with Clause 17 of Para A of Schedule III of SEBI – LODR Regulations, the undersigned, vide letter ref No. ESIL/2022-23/280 dated November 29, 2022, has informed about the initiation of the Transaction Review Audit under the provisions of the Insolvency & Bankruptcy Code, 2016 in the Corporate Debtor.

In continuation of the same, we have received the report from the Transaction Auditor and as per the said report, it was found that various transactions, in terms of Section 43, 45 and Section 66 of the Insolvency and Bankruptcy Code, 2016, were carried out by the Corporate Debtor with the Related Parties. The details of the Transaction entered, in terms of Section 43, 45 and Section 66 of the Insolvency and Bankruptcy Code, 2016, are provided hereinbelow:-

S. No.	Section under the Insolvency and Bankruptcy Code, 2016	Nature of Transaction	Time period considered for Transaction Audit	Amount Involved (In Rupees)
1.	Section 43	Preferential Transaction	10.06.2020 to 10.06.2022	3,10,000/-
2.	Section 45	Undervalued	10.06.2020 to	167,43,000



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		Transactions	10.06.2022	
3.	Section 66	Fraudulent Trading and wrongful trading	10.06.2020 to 10.06.2022	58,13,00,000

Furthermore, in accordance with the provisions of the Insolvency & Bankruptcy Code, 2016 the Resolution Professional has filed three application(s) under Section 43, Section 45 and Section 66 with the Hon'ble National Company Law Tribunal, Kolkata Bench ('NCLT') for the reversal of the above said transaction of the corporate debtor. We would also like to submit that the Board of Directors (powers under suspension) erstwhile management of the CD has categorially denied all the contentions as mentioned in the TRA report.

In addition to above, please find herewith below the additional information as required to be disclosed in term of SEBI Circular no. CIR/CFD/CMD/4/2015 dated September 09, 2015 in relation to Fraud/ Defaults by promoter or key managerial personnel or by the listed entity or arrest of key managerial personnel or promoter:-

1. At the time of unearthing of fraud or occurrence of the default / arrest:

S. No.	Information required to be disclosed as per SEBI Circular	Reply to the Information required to be disclosed
1.	Nature of fraud/default/arrest	Nature of Preferential transaction(s):- 1. Payment of Credit, Trade Receivable, Discount, advances 2. Consumption of raw material-write off 3. Irrecoverable balances written off 4. Interparty adjustments 5. Finished goods sold at a lesser value
2.	Estimated impact on the listed entity	Estimated Impact of the fraudulent Transactions would be of Rs, 58,13,00,000
3.	time of occurrence	During the period from 10.06.2020 to 10.06.2022
4.	person(s) involved	1. Mr. Sundeep Shah 2. Mr. Ghanshyam Das Harnathka 3. Ms. Madhu Kant Sharma 4. Mr. Pankaj Kumar Deorah 5. Ms. Megha Shah 6. Mr. Abhishek Haralalka
5.	estimated amount involved (if any);	Estimated Amount of the fraudulent Transactions would be of Rs, 58,13,00,000
6.	whether such fraud/default/arrest has been reported to appropriate authorities	Yes, the application has been filed with the Hon'ble National Company Law Tribunal, Kolkata Bench ('NCLT') for the reversal of the above said transaction of the corporate debtor.



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2. Subsequently intimate the stock exchange(s) further details regarding the fraud/default/arrest including:

S. No.	Information required to be disclosed as per SEBI Circular	Reply to the Information required to be disclosed
1.	actual amount involved in the fraud /default (if any)	Actual Amount involved will be ascertained only upon the final order of the Hon'ble National Company Law Tribunal, Kolkata Bench ('NCLT')
2.	actual impact of such fraud /default on the listed entity and its financials	Actual impact on the financials of the corporate debtor will be ascertained only upon the final order of the Hon'ble National Company Law Tribunal, Kolkata Bench ('NCLT')
3.	corrective measures taken by the listed entity on account of such fraud/default	The Resolution Professional has filed an application with the Hon'ble National Company Law Tribunal, Kolkata Bench ('NCLT') for the reversal and recovery of the above said transaction of the corporate debtor from the related parties.

You are requested to take the above information on record.

Thanking You,
Yours Faithfully,

For Eastern Silk Industries Limited (Under CIRP)

Rahul Jaiswal
Company Secretary & Compliance Officer