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Eastern Silk Industries Ltd.

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CIN : L17226WB1946PLC013554

EC:da: 434

May 28, 2014

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

Dear Sirs,

Further to our letter No. EC: da:343 dated 14th May, 2014, 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, 2014.

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	7962.76
Profit /(Loss) before finance cost, Depreciation and exceptional items	(6944.60)
Less: Depreciation	1567.52
Less: Finance cost	4826.41
Less: Exceptional Items	306.21
Net Profit/(Loss)	(13644.74)

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

Further we have to advise you that Register of Members and share Transfer Books of the Company will remain closed from 18th June, 2014 to 25th June, 2014 (both days inclusive) for the Annual General Meeting of the Company to be held on 25th June, 2014.

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the companies (Management and Administration) Rules, 2014 Company is pleased to provide members facility to exercise their right to vote at AGM by electronic means and the business may be transacted through e-voting services provided by NSDL. The e-voting period commences on June 18, 2014 (9.00 A.M.) and ends on June 18, 2014 (6.00 P.M.).

We enclose herewith a copy of Audited Financial Results of the Company for the Quarter and year ended 31st March, 2014 as per requirement of Clause 41 of the Listing Agreement.

Thanking you,

Yours faithfully,
For EASTERN SILK INDUSTRIES LTD.

MANAGING DIRECTOR
Encl: as above

EASTERN SILK INDUSTRIES LTD.

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

PART I STATEMENT OF AUDITED RESULTS FOR THE QUARTER / YEAR ENDED 31ST MARCH, 2014

		Quarter Ended			Year Ended	
					(₹ in Lakhs)	
Sl No.	Particulars	31/03/2014 (Audited)	31/12/2013 (Unaudited)	31/03/2013 (Audited)	31/03/2014 (Audited)	31/03/2013 (Audited)
1	Income from operations					
	(a) Net sales/income from operations	1707.65	2234.61	2790.88	7804.09	7335.30
	(b) Other operating income	58.65	37.54	79.63	158.67	250.80
	Total income from operations (net)	1766.30	2272.15	2870.51	7962.76	7586.10
2	Expenses					
	(a) Cost of materials consumed	121.45	220.86	88.10	891.77	928.96
	(b) Purchases of stock-in-trade	464.63	727.08	557.00	2276.98	1834.03
	(c) Changes in inventories of Finished Goods, Work-in- Progress and Stock-in-Trade	192.50	401.28	7017.67	2222.53	7761.41
	(d) Employee benefit expenses	163.91	152.51	228.44	567.28	447.48
	(e) Depreciation	396.23	390.46	442.15	1567.52	1782.17
	(f) Provision for doubtful debts	1737.97	-	-	8981.39	-
	(g) Other Expenses	664.00	652.79	2061.17	2517.22	3774.35
	Total expenses	3740.69	2544.98	10394.53	19024.69	16528.40
3	Profit / (Loss) from operations before other income, finance cost and exceptional items (1-2)	(1974.39)	(272.83)	(7524.02)	(11061.93)	(8942.30)
4	Other income	2188.62	160.56	1745.07	2549.81	1999.06
5	Profit / (Loss) from ordinary activities before finance cost and exceptional items (3 + 4)	214.23	(112.27)	(5778.95)	(8512.12)	(6943.24)
6	Finance cost	1207.03	1223.53	1148.45	4826.41	4598.45
7	Profit / (Loss) from ordinary activities after finance cost but before exceptional items (5 - 6)	(992.80)	(1335.80)	(6927.40)	(13338.53)	(11541.69)
8	Exceptional items	(284.21)	(0.20)	(42.47)	(306.21)	(186.88)
9	Profit / (Loss) from ordinary activities before tax (7- 8)	(1277.01)	(1336.00)	(6969.87)	(13644.74)	(11728.57)
10	Tax expenses					
	(a) Provision for taxation-Current	-	-	-	-	-
	(b) Income-tax for Earlier years	-	-	0.37		0.37
	(c) Provision for tax-Deferred	-	-	(2,193.03)		(2193.03)
11	Profit / (Loss) from ordinary activities after tax (9 - 10)	(1277.01)	(1336.00)	(4777.21)	(13644.74)	(9535.91)
12	Extraordinary items	-	-	-	-	-
13	Net Profit / (Loss) for the period	(1277.01)	(1336.00)	(4777.21)	(13644.74)	(9535.91)
14	Paid-up equity share capital (Face Value of each share- ₹ 2/-)	1579.05	1579.05	1579.05	1579.05	1579.05
15	Reserve	-	-	-	(3800.13)	9918.93
16.i	Earnings per share (before extraordinary items) (of ₹ 2/-each) (not annualised):					
	(a) Basic	(1.62)	(1.69)	(6.05)	(17.45)	(12.24)
	(b) Diluted	(1.62)	(1.69)	(6.05)	(17.45)	(12.24)
16.ii	Earnings per share (after extraordinary items) (of ₹ 2/-each) (not annualised):					
	(a) Basic	(1.62)	(1.69)	(6.05)	(17.45)	(12.24)
	(b) Diluted	(1.62)	(1.69)	(6.05)	(17.45)	(12.24)

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	100	100
	- 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 For EASTERN SILK INDUSTRIES	Beginning	Received	Resolved	Unresolved	
	INVESTOR COMPLAINTS					
	for the quarter ended 31.03.2014	NIL	NIL	NIL	NIL	

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MC DIRECTOR

EASTERN SILK INDUSTRIES LTD.

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

(₹ in Lakhs)			
STATEMENT OF ASSETS AND LIABILITIES AS AT 31 ST MARCH, 2014			
	Particulars	As at current year end 31/03/2014	As at previous year end 31/03/2013
		(Audited)	(Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	2,979.05	2,979.05
	(b) Reserves and surplus	(3800.13)	9,918.93
	(c) Money received against share warrants	-	-
	Sub-total - Shareholders' funds	(821.08)	12,897.98
2	Non-current liabilities		
	(a) Long-term borrowings	41,661.24	41,685.97
	(b) Deferred tax liabilities (net)	-	-
	(c) Other long-term liabilities	-	-
	(d) Long-term provisions	17.76	32.35
	Sub-total - Non-current liabilities	41,679.00	41,718.32
3	Current liabilities		
	(a) Short-term borrowings	6,224.03	5,525.05
	(b) Trade payables	274.08	895.32
	(c) Other current liabilities	3,090.21	800.92
	(d) Short-term provisions	113.45	111.02
	Sub-total - current liabilities	9,701.77	7,332.31
	TOTAL - EQUITY AND LIABILITIES	50,559.69	61,948.61
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	12,060.80	13,574.25
	(b) Non-current investments	0.39	0.39
	(c) Deferred Tax Asset	4,572.98	4,572.98
	(d) Long-term loans and advances	79.41	83.25
	(e) Other non-current assets	-	-
	Sub-total - Non-current assets	16,713.58	18,230.87
2	Current assets		
	(a) Current investments	-	326.01
	(b) Inventories	8,471.68	10,281.93
	(c) Trade receivables	21,972.16	31,128.23
	(d) Cash and cash equivalents	2,727.83	1,341.12
	(e) Short-term loans and advances	674.44	640.45
	(f) Other current assets	-	-
	Sub-total - current assets	33,846.11	43,717.74
	TOTAL - ASSETS	50,559.69	61,948.61

Notes :

- The operation of the Company relate to only one primary segment viz. Textiles.
- The Promoters' shareholding remains encumbered in favour of Allahabad bank, Monitoring Institution under CDR Scheme.
- The above mentioned financial results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 28th May, 2014
- Exceptional Item represent Payment made to Workers of Nanjangud unit amounting to ₹ 284.21 lacs on account of their final settlement.
- The provision for bad & doubtful debts amounting to ₹ 8,981.39 lacs has been provided against the total Trade Receivables of ₹ 32,621.01 lacs. The said provision is considered as adequate by the management for covering any short realization against money suit filed accounts.
- As at 31st March 2014 the Company's net worth stands at ₹ (821.08) lacs. The accumulated loss has eroded the Company's peak net worth attracting the provisions of SICA Act 1985 for reference to BIFR as provided in Law.
- Previous period/year's figures have been regrouped / rearranged wherever necessary to confirm to current period presentation.

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Place : Kolkata
Date : 28th May, 2014

For EASTERN SILK INDUSTRIES LTD. For EASTERN SILK INDUSTRIES LTD.

S.S.SHAH
Chairman & Managing Director

MG. DIRECTOR