

Regd. Office :
19, R. N. Mukherjee Road
Kolkata - 700 001 (India)
Phone : +91 33 2243 0817 (3 Lines)
Fax : +91 33 2248 2486



Eastern Silk Industries Ltd.

CIN No. : L17226WB1946PLC013554

Mailing Address : G. P. O. BOX No. 2174, Kolkata - 700 001

E-mail : easternsilk@eth.net • Web : www.easternsilk.com

EC: G S O

30.05.2016

National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra – Kurla Complex
Bandra (E), Mumbai 400 051

Scrip Code / Symbol: EASTSILK

Dear Sirs,

SUB: AUDITED FINANCIAL RESULTS FOR THE FINANCIAL YEAR 2015-16

This is to inform the Stock Exchange that further to our letter no. EC:da 564 dated 21st May, 2016, that the Board of Directors of the Company (the Board) in its meeting held today, i.e. 30th May, 2016 which commenced at 4.30 p.m. and concluded at 6.00 p.m. approved the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the outcome of the Board Meeting is as follows:

Particulars	Rs. in Lacs
Revenue from operations :	7047.41
Profit/(Loss) before finance cost, depreciation and exceptional item	(5831.78)
(Less): Depreciation	(1378.64)
(Less): Finance Cost	(12.26)
Add/(Less): Exceptional Item	5040.07
Net Profit/(Loss)	(2182.61)

Further due to loss during the year under review, the Board has not recommended any dividend on the equity shares.

We enclose herewith a copy of Audited Financial Results of the Company for the Quarter and year ended 31st March, 2016 as per requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking you,

Yours faithfully,
For EASTERN SILK INDUSTRIES LTD.

DEEPAK AGARWAL
COMPANY SECRETARY
Encl: as above

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**Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
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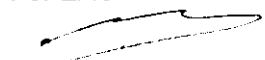
Dear Sirs,

Subject: Declaration pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 w.r.t. Audit Report with unmodified opinion.

The Board of Directors of the Company in its meeting held today, i.e. 30th May, 2016, approved the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date. Accordingly, the Statement of Audited Financial Results pursuant to regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with the Auditors' Report thereon were also approved.

Further, pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Notification dated 27th May, 2016 issued by SEBI, we hereby declare that the Auditors' Reports on the Annual Audited Standalone Financial Statements of the Company for the year ended 31st March, 2016, are with un-modified opinion.

Yours faithfully,
For EASTERN SILK INDUSTRIES LTD.


SHYAM SUNDER SHAH
CHAIRMAN AND MANAGING DIRECTOR

**Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company
Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure
Requirements) Regulations, 2015**

To
Board of Directors
Eastern Silk Industries Limited

We have audited the quarterly financial results of M/s. Eastern Silk Industries Ltd. for the quarter ended 31st March, 2016 and the year to date results for the period 1st April 2015 to 31st March, 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25) prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

Emphasis of Matter:

We draw attention to;

- a) Note No. 33 (c) to the audited financial statements which states that the company has not provided interest to lenders amounting to ₹ 10,102.52 Lacs for the period April'2014 to March'2016.
- b) Note No. 35 to the financial statements which states that the company is a BIFR company pending registration as per the provisions of the SICA Act 1985.
- c) Note No. 36(a) to the financial statements which states that a fresh provision of ₹ 6,563.07 Lacs has been made during the year for bad & doubtful debts, thus aggregating to ₹ 16,265.52 Lacs as at 31st March 2016 against a total Overdue Trade Receivables of ₹ 26,731.20 Lacs, of which ₹ 10,465.68 Lacs is considered good for recovery by the management. We are unable to express any opinion on correctness and/or adequacy of the provision for bad & doubtful debts.



- :: 2 :: -

- d) Note No. 37 to the financial statements regarding non recognition of Net Deferred Tax Assets (DTA) of ₹ 2.56 Lacs in the accounts. We are unable to express any opinion regarding non-recognition of DTA and about its adjustment against future profits of the company.

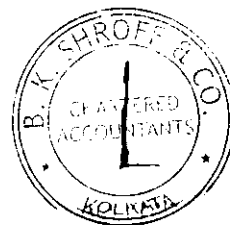
Our Opinion is not modified in respect of these matters.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) give a true and fair view of the net profit and other financial information for the quarter ended 31st March, 2016 as well as the year to date results for the period from 1st April 2015 to 31st March, 2016.

Place: Kolkata
Date: The 30th May, 2016

For **B. K. SHROFF & CO.**
Firm Registration No.: 302166E
Chartered Accountants
L. K. Shroff
(Lalit Kumar Shroff)
PARTNER
Membership No. : 060742



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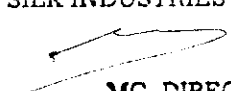
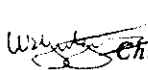
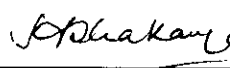
Eastern Silk Industries Ltd.

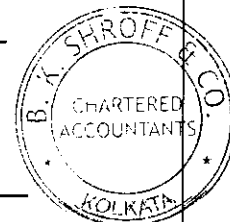
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FORM A

1.	Name of the Company	EASTERN SILK INDUSTRIES LTD.
2.	Annual financial statements for the year ended	31 st March, 2016
3.	Type of Audit observation	Matter of emphasis: We draw attention to; a) Note No. 33 (c) to the audited financial statements which states that the company has not provided interest to lenders amounting to ₹ 10,102.52 Lacs for the period April'2014 to March'2016. b) Note No. 35 to the financial statements which states that the company is a BIFR company pending registration as per the provisions of the SICA Act 1985. c) Note No. 36(a) to the financial statements which states that a fresh provision of ₹ 6,563.07 Lacs has been made during the year for bad & doubtful debts, thus aggregating to ₹ 16,265.52 Lacs as at 31st March 2016 against a total Overdue Trade Receivables of ₹ 26,731.20 Lacs, of which ₹ 10,465.68 Lacs is considered good for recovery by the management. We are unable to express any opinion on correctness and/or adequacy of the provision for bad & doubtful debts. d) Note No. 37 to the financial statements regarding non recognition of Net Deferred Tax Assets (DTA) of ₹ 2.56 Lacs in the accounts. We are unable to express any opinion regarding non-recognition of DTA and about its adjustment against future profits of the company
4.	Frequency of observation	The above observation appeared for the Fifth time
5.	To be signed by –	For EASTERN SILK INDUSTRIES LTD.
	• Managing Director	 MG. DIRECTOR For EASTERN SILK INDUSTRIES LTD.
	• Chief Financial Officer	 (U.S. GUTGUTIA) For B. K. SHROFF & CO., L. K. Shroff
	• Auditor of the Company	For B.K. Shroff & Co. Firm Regn. No. 302166E (L.K. Shroff) Partner Membership No. 060742
	• Audit Committee Chairman	 (H.S. GOPALKA)



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 : easternsilk@eth.net

Website: www.easternsilk.com

PART I

STATEMENT OF AUDITED RESULTS FOR THE QUARTER / YEAR ENDED 31ST MARCH, 2016

(₹ in Lakhs)

Sl No.	Particulars	Quarter Ended			Year Ended	
		31/03/2016 (Audited)	31/12/2015 (Unaudited)	31/03/2015 (Audited)	31/03/2016 (Audited)	31/03/2015 (Audited)
1	Income from operations					
	(a) Net sales/income from operations	1,731.11	1405.65	1,654.70	6,587.24	5,792.67
	(b) Other operating income	102.50	250.77	89.53	460.17	309.10
	Total income from operations (net)	1,833.61	1656.42	1,744.23	7,047.41	6,101.77
2	Expenses					
	(a) Cost of materials consumed	477.45	291.81	308.03	1,212.65	1,133.72
	(b) Purchases of stock-in-trade	507.67	472.45	311.25	1,710.33	1,206.83
	(c) Changes in inventories of Finished Goods, Work-in- Progress and Stock-in-Trade	(180.09)	(152.15)	828.87	1,320.34	966.61
	(d) Employee benefit expenses	235.98	210.80	267.72	819.45	732.86
	(e) Depreciation	360.45	340.44	1,083.06	1,378.64	2,023.08
	(f) Provision for doubtful debts (net)	3,600.42	-	2,016.25	3,600.42	2,016.25
	(g) Other Expenses	3,699.62	661.62	2,388.65	5,755.60	4,254.26
	Total expenses	8,701.50	1824.97	7,203.83	15,797.43	12,333.61
3	Profit / (Loss) from operations before other income, finance cost and exceptional items (1-2)	(6,867.89)	(168.55)	(5,459.60)	(8,750.02)	(6,231.84)
4	Other income	1,401.41	20.46	874.10	1,539.60	1,031.52
5	Profit / (Loss) from ordinary activities before finance cost and exceptional items (3 + 4)	(5,466.48)	(148.09)	(4,585.50)	(7,210.42)	(5,200.32)
6	Finance cost	(5.72)	0.00	22.00	12.26	234.53
7	Profit / (Loss) from ordinary activities after finance cost but before exceptional items (5 - 6)	(5,460.76)	(148.09)	(4,607.50)	(7,222.68)	(5,434.85)
8	Exceptional items	5,040.07	-	1,747.11	5,040.07	1,746.61
9	Profit / (Loss) from ordinary activities before tax (7- 8)	(420.69)	(148.09)	(2,860.39)	(2,182.61)	(3,688.24)
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)	(420.69)	(148.09)	(2,860.39)	(2,182.61)	(3,688.24)
12	Extraordinary items	-	-	-	-	-
13	Net Profit / (Loss) for the period	(420.69)	(148.09)	(2,860.39)	(2,182.61)	(3,688.24)
14	Paid-up equity share capital (Face Value of each share- ₹ 2/-)	1579.05	1579.05	1,579.05	1,579.05	1,579.05
15	Reserve	-	-	-	(10,695.74)	(8,513.13)
16.i	Earnings per share (before extraordinary items) (of ₹ 2/-each) (not annualised):					
	(a) Basic	(0.53)	(0.19)	(3.62)	(2.93)	(4.84)
	(b) Diluted	(0.53)	(0.19)	(3.62)	(2.93)	(4.84)
16.ii	Earnings per share (after extraordinary items) (of ₹ 2/-each) (not annualised):					
	(a) Basic	(0.53)	(0.19)	(3.62)	(2.93)	(4.84)
	(b) Diluted	(0.53)	(0.19)	(3.62)	(2.93)	(4.84)

Part II Selected Information

A PARTICULARS OF SHAREHOLDING

1	Public shareholding	3,84,64,269	3,84,64,269	3,84,64,269	3,84,64,269	3,84,64,269
	(a) Number of shares	48.72	48.72	48.72	48.72	48.72
	(b) Percentage of shareholding					
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 31.03.2016	NIL	1	1	NIL

EASTERN SILK INDUSTRIES LTD.

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

STATEMENT OF ASSETS AND LIABILITIES AS AT 31 ST MARCH, 2016			
(₹ in Lakhs)			
	Particulars	As at current year end 31/03/2016 (Audited)	As at previous year end 31/03/2015 (Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	2,979.05	2,979.05
	(b) Reserves and surplus	(10,685.74)	(8,513.13)
	(c) Money received against share warrants	-	-
	Sub-total - Shareholders' funds	(7,716.69)	(5,534.08)
2	Non-current liabilities		
	(a) Long-term borrowings	33,583.03	40,111.46
	(b) Deferred tax liabilities (net)	-	-
	(c) Other long-term liabilities	-	-
	(d) Long-term provisions	31.77	16.06
	Sub-total - Non-current liabilities	33,614.80	40,127.52
3	Current liabilities		
	(a) Short-term borrowings	4,129.34	5,865.72
	(b) Trade payables	541.05	446.44
	(c) Other current liabilities	3,814.25	2,723.73
	(d) Short-term provisions	156.62	147.22
	Sub-total - current liabilities	8,641.26	9,183.11
	TOTAL - EQUITY AND LIABILITIES	34,539.37	43,776.55
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	7,815.63	9,110.30
	(b) Non-current investments	0.39	0.39
	(c) Deferred Tax Asset	4,572.98	4,572.98
	(d) Long-term loans and advances	80.14	79.44
	(e) Other non-current assets	-	-
	Sub-total - Non-current assets	12,469.14	13,763.11
2	Current assets		
	(a) Current investments	-	-
	(b) Inventories	6,317.14	7,650.20
	(c) Trade receivables	11,378.35	18,347.02
	(d) Cash and cash equivalents	3,772.31	3,412.53
	(e) Short-term loans and advances	602.43	603.89
	(f) Other current assets	-	-
	Sub-total - current assets	22,070.23	30,013.44
	TOTAL - ASSETS	34,539.37	43,776.55

Notes :

- The operation of the Company relate to only one primary segment viz. Textiles.
- The Company has provided an amount of ₹ 3,600.42 Lacs (net) as bad & doubtful debts and written off ₹ 2962.65 Lacs as bad debts irrecoverable during the quarter, thus created an aggregate of provision of bad & doubtful debts of ₹ 16,265.52 Lacs which is considered adequate by the management for covering any shortfall in realization
- During the year, the Company bilaterally settled its dues with one bank on one-time basis against its aggregate outstanding of ₹ 4,294.26 Lacs with a payment of ₹ 1,492.35 Lacs, in addition to the settlement with the two banks in F.Y. 2014-15 after exit from the CDR Scheme on 20th August, 2014. The Company also entered into a settlement arrangement of ₹ 4,580.00 Lac with Edelweiss Asset Reconstruction Company Ltd., who acquired the company's loan from two banks aggregating to ₹ 7,602.20 Lac. The resultant amount of interest waiver is included as income under "Other Income" and the rebate on principal is included under "Exceptional Items".
- In view of the reference made by the Company to BIFR on erosion of 100% networth as at 31st March, 2014, interest payable to Banks & Financial Institutions has not been provided for the quarter ended 31st March, 2016 amounts to ₹ 1,262.86 lakhs (interest not provided in the books upto last quarter amounts to ₹ 8,839.66 lakhs).
- '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 ₹ 1,685.99 Lacs have been appropriated by few banks 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.
- 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 results have been reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on 30th May, 2016. 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
- Previous period/year's figures have been regrouped / rearranged wherever necessary to confirm to current period presentation.

Place : Kolkata
Date : 30th May, 2016

For EASTERN SILK INDUSTRIES LTD.

CERTIFIED TRUE COPY

For EASTERN SILK INDUSTRIES LTD.

S.S.SHAH
DIN 00491097
Chairman & Managing Director

MG. DIRECTOR