

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 : L17226WB1946PLC013554

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

EC:da: 2065

February 10, 2017

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

Dear Sir,

in compliance with the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith Limited Review Report for the quarter ended 31st December, 2016

Thanking you,

Yours faithfully,
For EASTERN SILK INDUSTRIES LTD.

Deepak Agarwal
Company Secretary

Encl: as above

LIMITED REVIEW REPORT

The Board of Directors
Eastern Silk Industries Ltd.
19, R.N. Mukherjee Road
Kolkata – 700 001

We have reviewed the accompanying Statement of Un-audited financial results of **EASTERN SILK INDUSTRIES LTD.** of 19, R. N. Mukherjee Road, Kolkata - 700 001 for the quarter ended **31st December, 2016** except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

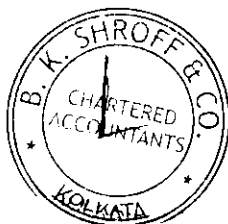
We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, *Engagements to Review Financial Statements* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of misstatement, a review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (listing obligation and disclosure requirements) Regulation, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Attention is drawn to the followings:-

- i) Provision aggregating Rs. 20,563.34 lakhs has been made against outstanding overdue export debtors of Rs. 26,525.09 lakhs. We are unable to express any opinion, on correctness and / or adequacy of the provision made.
- ii) In view of reference made by the Company to the BIFR on erosion of 100% networth as at 31st March, 2014, unpaid liability towards interest for the period October to December '2016 to Banks & Financial Institutions amounting to Rs. 1,076.87 lakhs has not been provided.

Dated: 10.02.2017



For B. K. SHROFF & Co.
Chartered Accountants
Firm Registration No.302166E

L. K. Shroff

(L. K. SHROFF)
PARTNER

Membership No.060742

DELHI OFFICE : 3/7B, ASAF ALI ROAD, NEW DELHI-110 002. PHONE : 23271407, 23284825, 23284826, FAX: 011-23270362

EASTERN SILK INDUSTRIES LTD.							
Regd. Office: 19, R.N. MUKHERJEE ROAD, KOLKATA- 700 001							
Corporate Identity Number : L17226WB1946PLC013554							
Phone : 033-22430617, Fax-033-22462466							
Email: investors@easternsilk.com Website: www.easternsilk.com							
PART I STATEMENT OF UNAUDITED RESULTS FOR THE QUARTER ENDED 31ST DECEMBER, 2016							
Sl No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31/12/2016 (Unaudited)	30/09/2016 (Unaudited)	31/12/2015 (Unaudited)	31/12/2016 (Unaudited)	31/12/2015 (Unaudited)	31/03/2016 (Audited)
1	Income from operations						
	(a) Net sales/income from operations	1,387.05	1,477.06	1,405.55	4,315.05	4,856.13	6,567.24
	(b) Other operating income	13.66	37.76	250.77	100.97	357.67	460.17
	Total income from operations (net)	1,400.71	1,514.82	1,656.42	4,416.02	5,213.80	7,047.41
2	Expenses						
	(a) Cost of materials consumed	286.85	344.75	291.81	1,007.95	735.20	1,212.65
	(b) Purchases of stock-in-trade	660.43	535.30	472.45	1,654.04	1,202.66	1,710.33
	(c) Changes in inventories of Finished Goods, Work-in- Progress and Stock-in-Trade	(153.77)	(164.52)	(152.15)	(504.61)	1,500.43	1,320.34
	(d) Employee benefit expenses	192.40	158.94	210.80	548.85	583.47	819.45
	(e) Depreciation	275.17	259.79	340.44	823.74	1,018.19	1,378.64
	(f) Provision for doubtful debts	-	-	-	4,297.82	-	3,600.42
	(g) Other Expenses	646.04	724.75	661.62	2,048.75	2,055.98	5,755.60
	Total expenses	1,907.12	1,859.01	1,824.97	9,876.54	7,095.93	15,797.43
3	Profit / (Loss) from operations before other income, finance cost and exceptional items (1-2)	(506.41)	(344.19)	(168.55)	(5,460.52)	(1,882.13)	(8,750.02)
4	Other income	3.88	12.40	20.46	478.38	138.19	1,539.60
5	Profit / (Loss) from ordinary activities before finance cost and exceptional items (3 + 4)	(502.53)	(331.79)	(148.09)	(4,982.14)	(1,743.94)	(7,210.42)
6	Finance cost(Refer to Note no-2)	-	-	-	-	17.98	12.26
7	Profit / (Loss) from ordinary activities after finance cost but before exceptional items (5 - 6)	(502.53)	(331.79)	(148.09)	(4,982.14)	(1,761.92)	(7,222.68)
8	Exceptional items	-	-	-	3,816.00	-	5,040.07
9	Profit / (Loss) from ordinary activities before tax (7 - 8)	(502.53)	(331.79)	(148.09)	(1,166.14)	(1,761.92)	(2,182.61)
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)	(502.53)	(331.79)	(148.09)	(1,166.14)	(1,761.92)	(2,182.61)
12	Extraordinary items	-	-	-	-	-	-
13	Net Profit / (Loss) for the period	(502.53)	(331.79)	(148.09)	(1,166.14)	(1,761.92)	(2,182.61)
14	Paid-up equity share capital	1,579.05	1,579.05	1,579.05	1,579.05	1,579.05	1,579.05
	(Face Value of each share- ₹ 2/-)	-	-	-	-	-	(10,695.74)
15	Reserve	-	-	-	-	-	-
16.i	Earnings per share (before extraordinary items)						
	(of ₹ 2/-each) (not annualised):						
	(a) Basic	(0.64)	(0.42)	(0.19)	(1.48)	(2.23)	(2.93)
	(b) Diluted	(0.64)	(0.42)	(0.19)	(1.48)	(2.23)	(2.93)
16.ii	Earnings per share (after extraordinary items)						
	(of ₹ 2/-each) (not annualised):						
	(a) Basic	(0.64)	(0.42)	(0.19)	(1.48)	(2.23)	(2.93)
	(b) Diluted	(0.64)	(0.42)	(0.19)	(1.48)	(2.23)	(2.93)
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	3,84,64,269
	(b) Percentage of shareholding	48.72	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	4,04,88,351
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	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	51.28
	b) Non - encumbered						
	- Number of shares	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil	Nil	Nil
B	Particulars	Beginning	Received	Resolved	Unresolved		
	INVESTOR COMPLAINTS						
	for the quarter ended 31.12.2016	NIL	1	NIL	1		
Notes :							
1	The operation of the Company relate to only one primary segment viz. Textiles.						
2	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 December, 2016 amounts to ₹ 1,076.87 lakhs (interest not provided in the books upto last quarter amounts to ₹ 10,658.58 lakhs).						
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 ₹ 1,685.99 Lakhs 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.						
4	Deposit of ₹ 6.17 Crore to the Allahabad Bank has been made by the Company in terms of the Interim Order dated 18th August, 2016 of the Hon'ble High Court of Karnataka, Bengaluru to put up a stay against the order of taking the physical possession of the property at Bengaluru and in terms of the Interim Order dated 06th September, 2016 of the Hon'ble High Court of Karnataka, Bengaluru to put up a stay against the order of taking the physical possession of the property at Mysuru passed by the Hon'ble Court of the Chief Judicial Magistrate of Bangalore and Mysuru respectively in the favour of Allahabad Bank, being the Consortium leader. The Company has been showing the said deposit of ₹ 6.17 Crore under Bank balances until further instructions from the Hon'ble High Court of Karnataka, Bengaluru.						
5	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.						
6	The Statutory auditors have carried out a limited review of the above financial results.						
7	The above results have been reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on 10th February, 2017. The Statutory Auditors of the Company have carried out Limited Review of these results and the results are being published in accordance with Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015						
8	Previous period/year's figures have been regrouped / rearranged wherever necessary to confirm to current period presentation.						
For EASTERN SILK INDUSTRIES LTD.							
Place : Kolkata				For EASTERN SILK INDUSTRIES LTD			
Date : 10th February, 2017				S.S.SHAH			
				DIN 00491097			
				Chairman & Managing Director			

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EC:da: 2066

February 10, 2017

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

Dear Sir,

We enclose herewith a copy of the Un-audited Financial Results of the Company for the quarter ended 31st December, 2016 in compliance with the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The information is also available on the website of the Company at www.easternsilk.com and on the website of the stock exchange where the shares of the Company are listed at www.nseindia.com.

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

Email :investors@easternsilk.com

Website:www.easternsilk.com

PART I STATEMENT OF UNAUDITED RESULTS FOR THE QUARTER ENDED 31ST DECEMBER, 2016

Sl No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31/12/2016 (Unaudited)	30/09/2016 (Unaudited)	31/12/2015 (Unaudited)	31/12/2016 (Unaudited)	31/12/2015 (Unaudited)	31/03/2016 (Audited)
1	Income from operations						
	(a) Net sales/income from operations	1,387.05	1,477.06	1,405.65	4,315.05	4,856.13	6,587.24
	(b) Other operating income	13.66	37.76	250.77	100.97	357.67	460.17
	Total income from operations (net)	1,400.71	1,514.82	1,656.42	4,416.02	5,213.80	7,047.41
2	Expenses						
	(a) Cost of materials consumed	286.85	344.75	291.81	1,007.95	735.20	1,212.65
	(b) Purchases of stock-in-trade	660.43	535.30	472.45	1,654.04	1,202.66	1,710.33
	(c) Changes in inventories of Finished Goods, Work-in- Progress and Stock-in-Trade	(153.77)	(164.52)	(152.15)	(504.61)	1,500.43	1,320.34
	(d) Employee benefit expenses	192.40	158.94	210.80	548.85	583.47	819.45
	(e) Depreciation	275.17	259.79	340.44	823.74	1,018.19	1,376.64
	(f) Provision for doubtful debts	-	-	-	4,297.82	-	3,600.42
	(g) Other Expenses	646.04	724.75	661.62	2,048.75	2,055.98	5,755.60
	Total expenses	1,907.12	1,859.01	1,824.97	9,876.54	7,095.93	15,797.43
3	Profit / (Loss) from operations before other income, finance cost and exceptional items (1-2)	(506.41)	(344.19)	(168.55)	(5,460.52)	(1,882.13)	(8,750.02)
4	Other income	3.88	12.40	20.46	478.38	138.19	1,539.60
5	Profit / (Loss) from ordinary activities before finance cost and exceptional items (3 + 4)	(502.53)	(331.79)	(148.09)	(4,982.14)	(1,743.94)	(7,210.42)
6	Finance cost (Refer to Note no-2)	-	-	-	-	17.98	12.26
7	Profit / (Loss) from ordinary activities after finance cost but before exceptional items (5 - 6)	(502.53)	(331.79)	(148.09)	(4,982.14)	(1,761.92)	(7,222.68)
8	Exceptional items	-	-	-	3,816.00	-	5,040.07
9	Profit / (Loss) from ordinary activities before tax (7 - 8)	(502.53)	(331.79)	(148.09)	(1,166.14)	(1,761.92)	(2,182.61)
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)	(502.53)	(331.79)	(148.09)	(1,166.14)	(1,761.92)	(2,182.61)
12	Extraordinary items	-	-	-	-	-	-
13	Net Profit / (Loss) for the period	(502.53)	(331.79)	(148.09)	(1,166.14)	(1,761.92)	(2,182.61)
14	Paid-up equity share capital	1,579.05	1,579.05	1,579.05	1,579.05	1,579.05	1,579.05
	(Face Value of each share- ₹ 2/-)						
15	Reserve	-	-	-	-	-	(10,695.74)
16.i	Earnings per share (before extraordinary items)						
	(of ₹ 2/-each) (not annualised):						
	(a) Basic	(0.64)	(0.42)	(0.19)	(1.48)	(2.23)	(2.93)
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	(b) Diluted	(0.64)	(0.42)	(0.19)	(1.48)	(2.23)	(2.93)

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	3,84,64,269
	(a) Number of shares	48.72	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	4,04,88,351
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	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	51.28
	b) Non - encumbered						
	- Number of shares	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil	Nil	Nil

B Particulars

	INVESTOR COMPLAINTS	Beginning	Received	Resolved	Unresolved
	for the quarter ended 31.12.2016	NIL	1	NIL	1

Notes :-

- The operation of the Company relate to only one primary segment viz. Textiles.
- 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 December, 2016 amounts to ₹ 1,076.87 lakhs (interest not provided in the books upto last quarter amounts to ₹ 10,658.58 lakhs).
- '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 ₹ 1,685.99 Lakhs 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.
- Deposit of ₹ 6.17 Crore to the Allahabad Bank has been made by the Company in terms of the Interim Order dated 18th August, 2016 of the Hon'ble High Court of Karnataka, Bengaluru to put up a stay against the order of taking the physical possession of the property at Bengaluru and in terms of the Interim Order dated 06th September, 2016 of the Hon'ble High Court of Karnataka, Bengaluru to put up a stay against the order of taking the physical possession of the property at Mysuru passed by the Hon'ble Court of the Chief Judicial Magistrate of Bangalore and Mysuru respectively in the favour of Allahabad Bank, being the Consortium leader. The Company has been showing the said deposit of ₹ 6.17 Crore under Bank balances until further instructions from the Hon'ble High Court of Karnataka, Bengaluru.
- 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 Statutory auditors have carried out a limited review of the above financial results.
- The above results have been reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on 10th February, 2017. The Statutory Auditors of the Company have carried out Limited Review 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.

For EASTERN SILK INDUSTRIES LTD.

Place : Kolkata
Date : 10th February, 2017

MG. DIRECTOR

For EASTERN SILK INDUSTRIES LTD.
S.S. SHAH
DIN 00491097
Chairman & Managing Director