

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: 1089

November 11, 2016

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 and half year ended 30th September, 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 **30th September, 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. 26,455.75 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 July to September '2016 to Banks & Financial Institutions amounting to Rs. 1,076.86 lakhs has not been provided.

Dated: 11.11.2016



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

L. K. Shroff

(L. K. SHROFF)
PARTNER

Membership No.060742

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

Unaudited Financial Results (After Limited Review) for the quarter and half year ended 30th September,2016

		(₹ In Lacs)
Particulars		After Limited Review
1	a) Net Sales / Income from Operation	1,477.06
	b) Other operating Income (Net)	37.76
	Total (a+b)	1,514.82
2	Expenses	
	a) Cost of materials consumed	344.75
	b) Purchases of stock-in-trade	535.30
	c) Changes in inventories of Finished Goods, Work-in- Progress and Stock-in-Trade	(164.52)
	d) Employee benefit expenses	158.94
	e) Depreciation	259.79
	f) Provision for doubtful debts	-
	g) Other Expenses	724.75
	Total (a to g)	1,859.01
3	Profit / (Loss) from operations before other income, finance costs & exceptional items(1-2)	(344.19)
4	Other Income	12.40
5	Profit / (Loss) from ordinary activities before finance cost and exceptional items (3 + 4)	(331.79)
6	Finance cost	-
7	Profit / (Loss) after finance costs but before exceptional items (5-6)	(331.79)
8	Exceptional items-	-
9	Profit (+)/Loss(-) from Ordinary Activities before tax (7+8)	(331.79)
10	Tax expenses	-
11	Net profit (+)/ Loss (-) from Ordinary Activities after tax (9-10)	(331.79)
12	Extraordinary items	-
13	Net Profit (+) / Loss (-) for the period (11-12)	(331.79)
14	Paid up Equity Share Capital (Face Value of each Share - ₹ 2/-)	1,579.05

STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH SEPTEMBER, 2016

		STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH SEPTEMBER, 2016	
		(₹ In Lacs)	
Particulars		As at current year end 30/09/2016	As at previous year end 31/03/2016
		(Unaudited)	(Audited)
A			
1	EQUITY AND LIABILITIES		
	Shareholders' funds		
(a)	Share capital	2,979.05	2,979.05
(b)	Reserves and surplus	(11,359.35)	(10,695.74)
(c)	Money received against share warrants		-
	Sub-total - Shareholders' funds	(8,380.30)	(7,716.69)
2	Non-current liabilities		
(a)	Long-term borrowings	29,541.03	33,583.03
(b)	Deferred tax liabilities (net)	-	-
(c)	Other long-term liabilities	-	-
(d)	Long-term provisions	31.77	31.77
	Sub-total - Non-current liabilities	29,572.80	33,614.80
3	Current liabilities		
(a)	Short-term borrowings	3,247.48	4,129.34
(b)	Trade payables	651.16	541.05
(c)	Other current liabilities	4,193.39	3,814.25
(d)	Short-term provisions	210.38	156.62
	Sub-total - current liabilities	8,302.41	8,641.26
	TOTAL - EQUITY AND LIABILITIES	29,494.91	34,539.37

B				
		ASSETS		
1		Non-current assets		
(a)	Fixed assets		7,315.16	7,815.63
(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	80.14
(e)	Other non-current assets		-	-
		Sub-total - Non-current assets	11,968.67	12,469.14
2		Current assets		
(a)	Current investments		-	-
(b)	Inventories		6,590.62	6,317.14
(c)	Trade receivables		7,616.29	11,378.35
(d)	Cash and cash equivalents		2,506.85	3,772.31
(e)	Short-term loans and advances		812.48	602.43
(f)	Other current assets		-	-
		Sub-total - current assets	17,526.24	22,070.23
		TOTAL - ASSETS	29,494.91	34,539.37
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 30th September, 2016 amounts to ₹ 1,076.86 lakhs (interest not provided in the books upto last quarter amounts to ₹ 9,581.72 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 Rs.5.00 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, Benagaluru to put up a stay against the order of taking the physical possession of the property at Bengaluru and Deposit of ₹ 1.00 Crore to the Allahabad Bank is required to be made by the Company within a four weeks time in terms of the Interim Order dated 06th September,2016 of the Hon'ble High Court of Karnataka, Benagaluru 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 ₹ 5.00 Crore under Bank balances until further instructions from the Hon'ble High Court of Karnataka, Benagaluru.			
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	Previous period/year's figures have been regrouped / rearranged wherever necessary to confirm to current period presentation.			
	Place : Kolkata			
	Date : 11th November,2016			

For EASTERN SILK INDUSTRIES LTD.

M.G. DIRECTOR

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November 11, 2016

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

Dear Sir,

We enclose herewith a copy of the Un-audited Financial Results of the Company for the quarter and half year ended 30th September, 2016 in compliance with the 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

EASTERN SILK INDUSTRIES LTD.

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

(₹ in Lakhs)			
STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH SEPTEMBER, 2016			
	Particulars	As at current year end 30/09/2016 (Unaudited)	As at previous year end 31/03/2016 (Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	2,979.05	2,979.05
	(b) Reserves and surplus	(11,359.35)	(10,695.74)
	(c) Money received against share warrants	-	-
	Sub-total - Shareholders' funds	(8,380.30)	(7,716.69)
2	Non-current liabilities		
	(a) Long-term borrowings	29,541.03	33,583.03
	(b) Deferred tax liabilities (net)	-	-
	(c) Other long-term liabilities	-	-
	(d) Long-term provisions	31.77	31.77
	Sub-total - Non-current liabilities	29,572.80	33,614.80
3	Current liabilities		
	(a) Short-term borrowings	3,247.48	4,129.34
	(b) Trade payables	651.16	541.05
	(c) Other current liabilities	4,193.39	3,814.25
	(d) Short-term provisions	210.38	156.62
	Sub-total - current liabilities	8,302.41	8,641.26
	TOTAL - EQUITY AND LIABILITIES	29,494.91	34,539.37
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	7,315.16	7,815.63
	(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	80.14
	(e) Other non-current assets	-	-
	Sub-total - Non-current assets	11,968.67	12,469.14
2	Current assets		
	(a) Current investments	-	-
	(b) Inventories	6,590.62	6,317.14
	(c) Trade receivables	7,616.29	11,378.35
	(d) Cash and cash equivalents	2,506.85	3,772.31
	(e) Short-term loans and advances	812.48	602.43
	(f) Other current assets	-	-
	Sub-total - current assets	17,526.24	22,070.23
	TOTAL - ASSETS	29,494.91	34,539.37

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 30th September, 2016 amounts to ₹ 1,076.86 lakhs (interest not provided in the books upto last quarter amounts to ₹ 9,581.72 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 ₹ 5.00 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 Deposit of ₹ 1.00 Crore to the Allahabad Bank is required to be made by the Company within a four weeks time 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 ₹ 5.00 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 11th November, 2016. 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.

EASTERN SILK INDUSTRIES LTD.

Place : Kolkata
Date : 11th November, 2016

MC. DIRECTOR

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

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 UNAUDITED RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2016

(₹ in Lakhs)

Sl No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30/09/2016 (Unaudited)	30/06/2016 (Unaudited)	30/09/2015 (Unaudited)	30/09/2016 (Unaudited)	30/09/2015 (Unaudited)	31/03/2016 (Audited)
1	Income from operations						
	(a) Net sales/income from operations	1,477.06	1,450.94	1,552.56	2,928.00	3,450.48	6,587.24
	(b) Other operating income	37.76	49.55	52.61	87.31	106.90	460.17
	Total income from operations (net)	1,514.82	1,500.49	1,605.17	3,015.31	3,557.38	7,047.41
2	Expenses						
	(a) Cost of materials consumed	344.75	376.35	234.85	721.10	443.39	1,212.65
	(b) Purchases of stock-in-trade	535.30	458.31	441.67	993.61	730.21	1,710.33
	(c) Changes in inventories of Finished Goods, Work-in- Progress and Stock-in-Trade	(164.52)	(186.32)	(11.69)	(350.84)	1,652.58	1,320.34
	(d) Employee benefit expenses	158.94	197.51	191.09	356.45	372.67	819.45
	(e) Depreciation	259.79	288.78	340.51	548.57	677.75	1,378.64
	(f) Provision for doubtful debts	-	4,297.82	-	4,297.82	-	3,600.42
	(g) Other Expenses	724.75	677.96	828.07	1,402.71	1,394.36	5,755.60
	Total expenses	1,859.01	6,110.41	2,024.50	7,969.42	5,270.96	15,797.43
3	Profit / (Loss) from operations before other income, finance cost and exceptional items (1-2)	(344.19)	(4,609.92)	(419.33)	(4,954.11)	(1,713.58)	(8,750.02)
4	Other income	12.40	462.10	70.64	474.50	117.73	1,539.60
5	Profit / (Loss) from ordinary activities before finance cost and exceptional items (3 + 4)	(331.79)	(4,147.82)	(348.69)	(4,479.61)	(1,595.85)	(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)	(331.79)	(4,147.82)	(348.69)	(4,479.61)	(1,613.83)	(7,222.68)
8	Exceptional items	-	3,816.00	-	3,816.00	-	5,040.07
9	Profit / (Loss) from ordinary activities before tax (7 - 8)	(331.79)	(331.82)	(348.69)	(663.61)	(1,613.83)	(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)	(331.79)	(331.82)	(348.69)	(663.61)	(1,613.83)	(2,182.61)
12	Extraordinary items	-	-	-	-	-	-
13	Net Profit / (Loss) for the period	(331.79)	(331.82)	(348.69)	(663.61)	(1,613.83)	(2,182.61)
14	Paid-up equity share capital (Face Value of each share- ₹ 2/-)	1,579.05	1,579.05	1,579.05	1,579.05	1,579.05	1,579.05
15	Reserve	-	-	-	-	-	(10,695.74)
16.i	Earnings per share (before extraordinary items) (of ₹ 2/-each) (not annualised):						
	(a) Basic	(0.42)	(0.42)	(0.44)	(0.84)	(2.04)	(2.93)
	(b) Diluted	(0.42)	(0.42)	(0.44)	(0.84)	(2.04)	(2.93)
16.ii	Earnings per share (after extraordinary items) (of ₹ 2/-each) (not annualised):						
	(a) Basic	(0.42)	(0.42)	(0.44)	(0.84)	(2.04)	(2.93)
	(b) Diluted	(0.42)	(0.42)	(0.44)	(0.84)	(2.04)	(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)	100.00	100.00	100.00	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	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 30.09.2016	NIL	NIL	NIL	NIL		

CERTIFIED TRUE COPY
For EASTERN SILK INDUSTRIES LTD.