

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

EC: 320

30.05.2018

National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor Plot No. C/7, G Block Bandra – Kurla Complex Bandra (E) Mumbai 400 051	Bombay Stock Exchange Ltd. Floor 25, P.J. Tower, Dalal Street, Mumbai 400 001
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Scrip Code / Symbol: EASTSILK

Dear Sirs,

Sub: AUDITED FINANCIAL RESULTS FOR THE FINANCIAL YEAR 2017-18

This is to inform the Stock Exchange that further to our letter No. EC:da:274 dated 17th May, 2018, that the Board of Directors of the Company (the Board) in its meeting held today, i.e. 30th May, 2018 which commenced at 3.00 p.m. and concluded at 6.00 p.m. approved the Balance Sheet as at 31st March, 2018 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 lakh
Revenue from operations:	5203.80
Profit/(Loss) before finance cost, Depreciation and exceptional item	(2739.55)
(Less): Depreciation	214.92
(Less): Finance Cost	112.00
Add/(Less): Exceptional item	5910.03
Net Profit(Loss)	2843.56
Other Comprehensive Income	18.89
Total Comprehensive Income	2862.45

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, 2018 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

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

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Website:www.easternsilk.com

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2018**PREPARED IN COMPLIANCE WITH THE INDIAN ACCOUNTING STANDARDS(IND-AS)**

(in Lakhs)

Sl No.	Particulars	Quarter Ended			Year Ended	
		31/03/2018 (Audited)	31/12/2017 (Unaudited)	31/03/2017 (Audited)	31/03/2018 (Audited)	31/03/2017 (Audited)
1	Revenue					
	a) Revenue from Operation	1,368.99	1,312.01	1,922.76	5,149.32	6,342.29
	b) Other income	33.83	2.03	16.31	54.48	41.68
	Total Revenue	1,402.82	1,314.04	1,939.07	5,203.80	6,383.97
2	Expenses					
	(a) Cost of materials consumed	149.25	134.26	240.55	703.56	1,248.50
	(b) Purchases of stock-in-trade	218.33	251.71	214.65	1,280.38	1,604.47
	(c) Purchase Return of stock-in-Trade	-	-	(264.22)	-	-
	(d) Changes in inventories of Finished Goods, Work-in- Progress and Stock-in-Trade	180.32	113.11	568.29	142.76	63.68
	(e) Employee benefit expenses	188.43	211.30	251.96	778.40	800.82
	(f) Finance cost	112.00	-	120.35	112.00	120.35
	(g) Depreciation	214.92	219.25	242.46	876.05	1,066.20
	(h) Other Expenses	3,406.04	552.29	2,716.04	5,117.17	9,062.61
	Total expenses	4,469.29	1,481.92	4,090.08	9,010.32	13,966.63
3	Profit / (Loss) from operations before exceptional items (1-2)	(3,066.47)	(167.88)	(2,151.01)	(3,806.52)	(7,582.66)
4	Exceptional items	5,910.03	-	7,730.94	5,910.03	11,996.44
5	Profit / (Loss) from ordinary activities before tax (3+4)	2,843.56	(167.88)	5,579.93	2,103.51	4,413.78
6	Tax expenses					
	(a) Provision for taxation-Current	-	-	7.00	-	7.00
	(b) Income-tax for Earlier years	-	-	0.45	0.03	0.45
	(c) Provision for tax-Deferred	-	-	-	-	-
7	Net Profit / (Loss) for the period	2,843.56	(167.88)	5,572.48	2,103.48	4,406.33
8	Other Comprehensive Income (OCI)					
	(a) Item that will not be reclassified to Profit & Loss (Net of Tax)	18.89	0.17	(12.14)	19.06	(12.18)
	(b) Item that will be reclassified to Profit & Loss (Net of Tax)	-	-	-	-	-
9	Total Comprehensive Income(After tax)	2,862.45	(167.71)	5,560.34	2,122.54	4,394.15
10	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
11	Earnings per share (of ` 2/-each) (not annualised):					
	(a) Basic	3.60	(0.21)	7.06	2.66	5.58
	(b) Diluted	3.60	(0.21)	7.06	2.66	5.58

For: EASTERN SILK INDUSTRIES LTD.

MG. DIRECTOR

EASTERN SILK INDUSTRIES LTD.

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

(` in Lakhs)

STATEMENT OF AUDITED ASSETS AND LIABILITIES AS AT 31ST MARCH, 2018			
	Particulars	As at 31/03/2018	As at 31/03/2017
		(Audited)	(Audited)
ASSETS			
1 Non-current assets			
	(a) Property, Plant and Equipment	6,039.26	6,890.99
	(b) Capital Work In Progress	17.25	-
	(c) Financial Assets		
	(i) Investments	2.07	1.81
	(ii) Others	-	1.42
	(d) Deferred Tax Asset (Net)	4,572.98	4,572.98
	(e) Other Non Current Assets	126.47	80.16
	Total Non Current Assets	10,758.03	11,547.36
2 Current assets			
	(a) Inventories	6,270.51	6,230.57
	(b) Financial Assets		
	(i) Trade receivables	2,520.27	4,598.03
	(ii) Cash and cash equivalents	322.84	606.07
	(iii) Bank Balance other than (ii) above	469.51	1,012.34
	(c) Current Tax Assets (Net)	48.98	61.58
	(d) Other Current Assets	733.96	564.95
	Total Current assets	10,366.07	13,073.54
	TOTAL - ASSETS	21,124.10	24,620.90
EQUITY AND LIABILITIES			
1 Equity			
	(a) Equity Share capital	1,579.05	1,579.05
	(b) Other Equity	(2,992.43)	(5,114.97)
	Total Equity	(1,413.38)	(3,535.92)
2 Liabilities			
i) Non-Current Liabilities			
	(a) Financial Liabilities		
	- Borrowings	1,400.00	1,400.00
	(b) Provisions	33.60	39.11
	Total Non Current Liabilities	1,433.60	1,439.11
ii) Current Liabilities			
	(a) Financial Liabilities		
	(i) Borrowings	13,855.71	21,072.54
	(ii) Trade Payables	641.95	562.44
	(iii) Others	4.76	4.76
	(b) Other Current Liabilities	6,356.48	4,869.45
	(c) Short Term provisions	244.98	208.52
	Total Current Liabilities	21,103.88	26,717.71
	TOTAL - EQUITY AND LIABILITIES	21,124.10	24,620.90

2018.03.31

Notes :

- 1 The operation of the Company relate to only one segment viz. Textiles and therefore, has only one reportable segment in accordance with Ind AS 108 "Operating Segments".
- 2 An amount of ` 2,768.09 Lakhs has been provided during the year as bad & doubtful debts in addition to ` 19,475.96 Lakhs provided in the earlier years. After writing off irrecoverable bad debts during the year amounting to ` 9,364.83 Lakhs, the aggregate provision as at 31st March 2018 stands at ` 12,879.22 Lakhs which is considered adequate by the management for covering any shortfall in realization.
- 3 During the year, the Company entered into a settlement arrangement of ` 3,550.00 Lakhs with Asset Reconstruction Company (ARC) who acquired the company's loan from Allahabad Bank against its net dues amounting to ` 9,460.03 Lakhs. The amount of interest waiver and the remission of Liability towards bank outstanding have been taken to "Exceptional Items".

Out of the 11(Eleven) Consortium members, the Company have already settled with 4(four) banks/financial Institutions on One Time Settlement (OTS) basis and entered into a settlement arrangement through ARC's for 6(Six) banks/financial Institutions and efforts are going on and the Company is hopeful to arrive at the settlement arrangement soon with the remaining financial institution.

In view of the above no provision in respect of interest payable, amounting to ` 2,156.61 Lakhs, to the the remaining financial institution for the period April'2014 to March'2018 has been made in the Statement of Accounts, as the management is hopeful of substantial relief on settlements with the same.

- 4 '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 ` 392.59 Lakhs have been appropriated by few banks/financial Institutions 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.
- 5 The Promoters' shareholding remains encumbered in favour of the Lenders as per the terms/stipulation mentioned under CDR Scheme dated 4th Feb, 2012. However as on 20th August, 2014 the CDR Scheme has been withdrawn.
- 6 This statement has been prepared in accordance with the Companies(Indian Accounting Standards) Rules, 2015(Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning April 1, 2017, the Company has for the first time adopted Ind AS with a transition date of April 1,2016.
- 7 There are no complaints pending both at the beginning and end of quarter.
- 8 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, 2018. 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
- 9 The reconciliation of "Net Profit/(Loss)" reported in accordance with Indian GAAP to "Total Comprehensive Income" in accordance with Ind AS is given below :-

Description	(` in Lakhs)	
	Quarter ended 31/03/2017	Year ended 31/03/2017
Net Profit/(Loss) as per Previous GAAP (Indian GAAP)	5,672.31	4,506.16
Ind AS adjustment :		
- Dividend on Preference Shares	(112.00)	(112.00)
- Acturial Gain/Loss on Defined Benefit Obligation recognised in Other Comprehensive Income	12.17	12.17
Net Profit/(Loss) as per Ind AS	5,572.48	4,406.33
Other Comprehensive Income (OCI) (Net of Tax)		
- Remeasurement of Post Employment Benefit Obligation	(12.17)	(12.17)
- Changes in Fair Value of Equity Instrument	0.03	(0.01)
Total Comprehensive Income	5,560.34	4,394.15

- 10 Previous period/year's figures have been regrouped / rearranged wherever necessary to confirm to current period presentation.

Place : Kolkata
Date : 30th May, 2018

For EASTERN SILK INDUSTRIES LTD

For EASTERN SILK INDUSTRIES LTD,
MD. HANIFOR

S.S.SHAH
DIN 00491097
Chairman & Managing Director

**Independent Auditors Report on Financial Results Pursuant to the Regulation 33 of
the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To
Board of Directors of
Eastern Silk Industries Limited

1. We have audited the accompanying Statement of Financial Results of Eastern Silk Industries Limited ("the Company"), for the quarter and year ended March 31, 2018 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 DATED July 5, 2016.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related interim condensed standalone financial statements which has been prepared in accordance with Indian Accounting Standard 34 "Interim Financial Reporting: ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ("Ind AS") and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such interim condensed standalone financial statements.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion.

3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:

(i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and



(ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit, total comprehensive income and other financial information of the Company for the quarter and year ended March 31,2018.

4. We draw attention to;

- a) The company has not provided interest on borrowings amounting to Rs. 2,150.61 Lakhs for the period April'2014 to March'2018 (including Rs. 539.15 Lakhs for the period April '2017 to March'2018).
- b) A further provision of Rs. 2,768.09 Lakhs has been made during the year for bad & doubtful debts, thus aggregating to Rs. 12,879.22 Lakhs as at 31st March 2018 against a total Overdue Trade Receivables of Rs. 15,399.50 Lakhs, of which Rs. 2,520.27 Lakhs 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.
- c) Total deferred tax assets (DTA) for the period up to 31st March 2018 is Rs. 7,998.79 Lakhs out of which Rs. 4,572.98 Lakhs has been recognised in these accounts and balance Rs.3,425.81 Lakhs has not been recognised in these accounts. We are unable to express any opinion regarding recognition of DTA and about its adjustment against future profits of the company.

5. The figures for the quarter ended 31st March 2018 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the relevant financial year.

For SURESH KUMAR MITTAL & CO.
Chartered Accountants
Firm Registration No 500063N

Place: Kolkata
Date: 30th May, 2018



Rashi Goel
(RASHI GOEL)
PARTNER

Membership Number: 522561

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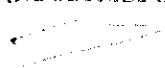
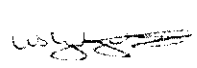
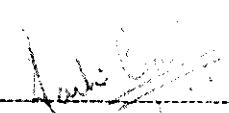
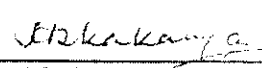


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FORM A

1.	Name of the Company	EASTERN SILK INDUSTRIES LTD.
2.	Annual financial statements for the year ended	31 st March, 2018
3.	Type of Audit observation	Matter of emphasis: We draw attention to: a) The company has not provided interest on borrowings amounting to ₹ 2,156.61 Lakhs for the period April'2014 to March'2018 (including ₹ 539.15 Lakhs for the period April'2017 to March'2018). b) A further provision of ₹ 2,768.09 Lakhs has been made during the year for bad & doubtful debts, thus aggregating to ₹ 12,879.22 Lakhs as at 31st March 2018 against a total Overdue Trade Receivables of ₹ 15,399.50 Lakhs, of which ₹ 2,520.27 Lakhs 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. c) Total deferred tax assets (DTA) for the period up to 31st March 2018 is ₹ 7,998.79 Lakhs out of which ₹ 4,572.98 Lakhs has been recognised in these accounts and balance ₹ 3,425.81 Lakhs has not been recognised in these accounts. We are unable to express any opinion regarding recognition of DTA and about its adjustment against future profits of the company.
4.	Frequency of observation	The above observation appeared for the Seventh time
5.	To be signed by –	For EASTERN SILK INDUSTRIES LTD.
	• Chairman & Managing Director	 _____ (S.S. SHAH)
	• Chief Financial Officer	 _____ (U.S. GUTGUTIA)
	• Auditor of the Company	 _____ For Suresh Kumar Mittal & Co. Firm Regn. No. 5000631N (Rashi Goel) Partner Membership No. 522561
	• Audit Committee Chairman	 _____ (H.S. GOPALKA)

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EC: 321

30.05.2018

Listing Department National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor Plot No. C/1, G Block Bandra – Kurla Complex Bandra (E) Mumbai 400 051	The Manager Bombay Stock Exchange Ltd. Floor 25, P.J. Tower, Dalal Street, Mumbai 400 001
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Scrip Code / Symbol: EASTSILK

Dear Sirs,

Sub: 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, 2017 approved the Balance Sheet as at 31st March, 2018, 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 Financial Statements of the Company for the year ended 31st March, 2018 are with un-modified opinion.

Yours faithfully,
For EASTERN SILK INDUSTRIES LTD.


SHYAM SUNDER SHAH
CHAIRMAN AND MANAGING DIRECTOR