

EASTERN SILK INDUSTRIES LTD.

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

Corporate Identity Number : L17226WB1946PLC013554

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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	1,579.05	1,579.05	1,579.05	1,579.05	1,579.05
	(Face Value of each share- ` 2/-)					
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

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(` 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

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	<p>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".</p> <p>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.</p> <p>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.</p>		
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 :-		
		(` in Lakhs)	
	Description	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)
	- Actuarial 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		For EASTERN SILK INDUSTRIES LTD.
	Date 30th May, 2018		S.S.SHAH
			DIN 00491097
			Chairman & Managing Director