

EASTERN SILK INDUSTRIES LTD.

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

(₹ in Lakhs)

STATEMENT OF AUDITED ASSETS AND LIABILITIES AS AT 30TH SEPTEMBER , 2022			
	Particulars	30/09/2022	31/03/2022
		(Unaudited)	(Audited)
ASSETS			
1 Non-current assets			
	(a) Property, Plant and Equipment	3,928.20	4,087.28
	(b) Right of Use Assets	237.87	239.12
	(c) Capital Work In Progress	18.05	-
	(d) Financial Assets		
	(i) Investments	4.10	5.04
	(ii) Others		
	(e) Deferred Tax Asset (Net)	4,572.98	4,572.98
	(f) Other Non Current Assets	105.40	105.57
	Total Non Current Assets	8,866.60	9,009.99
2 Current assets			
	(a) Inventories	3,133.78	3,577.96
	(b) Financial Assets		
	(i) Trade receivables	1,925.95	2,356.77
	(ii) Cash and cash equivalents	337.64	371.34
	(iii) Bank Balance other than (ii) above	494.35	491.52
	(c) Current Tax Assets (Net)	48.38	41.87
	(d) Other Current Assets	596.08	609.24
	Total Current assets	8,538.18	7,448.70
	TOTAL - ASSETS	15,402.78	16,458.69
EQUITY AND LIABILITIES			
1 Equity			
	(a) Equity Share capital	1,579.05	1,579.05
	(b) Other Equity	(4,787.00)	(4,465.96)
	Total Equity	(3,207.95)	(2,886.91)
2 Liabilities			
i) Non-Current Liabilities			
	(a) Financial Liabilities		
	- Borrowings	1,400.00	1,400.00
	(b) Provisions	16.07	16.07
	Total Non Current Liabilities	1,416.07	1,416.07
ii) Current Liabilities			
	(a) Financial Liabilities		
	(i) Borrowings	13,176.41	13,566.41
	(ii) Trade Payables		
	(a) M.S.M.E.	11.48	-
	(b) Other trade payables	308.79	445.18
	(iii) Others	4.76	4.76
	(b) Other Current Liabilities	3,558.64	3,734.99
	(c) Short Term provisions	134.58	178.19
	Total Current Liabilities	17,194.66	17,929.53
	TOTAL - EQUITY AND LIABILITIES	15,402.78	16,458.69

For EASTERN SILK INDUSTRIES LTD.


M.G. DIRECTOR

EASTERN SILK INDUSTRIES LTD.

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

Corporate Identity Number : L17226WB1946PLC013554

Phone : 033-40645731, Fax-033-22482486

Email :investors@easternsilk.com

Website:www.easternsilk.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2022

PREPARED IN COMPLIANCE WITH THE INDIAN ACCOUNTING STANDARDS(IIND-AS)

(₹ in Lakhs)

Sl No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30/09/2022 (Unaudited)	30/06/2022 (Unaudited)	30/09/2021 (Unaudited)	30/09/2022 (Unaudited)	30/09/2021 (Unaudited)	31/03/2022 (Audited)
1	Revenue						
	a) Revenue from Operation	730.31	2,066.30	1,872.57	2,796.61	4,304.38	7,314.03
	b) Other Income	29.20	25.78	34.59	54.98	58.33	144.29
	Total Income	759.51	2,092.08	1,907.16	2,851.59	4,362.69	7,458.32
2	Expenses						
	(a) Cost of materials consumed	487.85	454.43	767.13	942.28	1,779.32	2,627.78
	(b) Purchases of stock-in-trade	150.98	56.58	429.25	207.56	479.54	733.47
	(c) Changes in inventories of Finished Goods, Work-in- Progress and Stock-in-Trade	(188.33)	859.23	(139.76)	690.90	439.30	1,307.63
	(d) Employee benefit expenses	98.90	105.34	152.43	204.24	266.92	468.26
	(e) Finance cost	-	-	-	-	-	112.00
	(f) Depreciation & Amortization Expenses	86.98	87.49	99.30	154.47	198.73	402.00
	(g) Other Expenses	403.26	569.00	591.69	672.26	1,142.87	2,493.00
	Total expenses	1,030.64	2,132.07	1,900.04	3,171.71	4,306.68	8,144.82
3	Profit / (Loss) from operations before exceptional items (1-2)	(280.13)	(39.99)	7.12	(320.12)	58.01	(686.50)
4	Exceptional items	-	-	-	-	-	-
5	Profit / (Loss) from ordinary activities before tax (3+4)	(280.13)	(39.99)	7.12	(320.12)	58.01	(686.50)
6	Tax expenses						
	(a) Provision for taxation-Current	-	-	-	-	-	-
	(b) Income-tax for Earlier years	-	-	-	-	-	-
	(c) Provision for tax-Deferred	-	-	-	-	-	-
7	Net Profit / (Loss) for the period	(280.13)	(39.99)	7.12	(320.12)	58.01	(686.50)
8	Other Comprehensive Income (OCI)						
	(a) Item that will not be reclassified to Profit & Loss (Net of Tax)	(0.33)	(0.61)	0.56	(0.94)	0.77	26.83
	(b) Item that will be reclassified to Profit & Loss (Net of Tax)	-	-	-	-	-	-
9	Total Comprehensive Income(After tax)	(280.46)	(40.60)	7.68	(321.06)	58.78	(659.67)
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	1,579.05
11	Earnings per share (of ₹2/-each) (not annualised):						
	(a) Basic	(0.35)	(0.05)	0.01	(0.41)	0.07	(0.87)
	(b) Diluted	(0.35)	(0.05)	0.01	(0.41)	0.07	(0.87)

For EASTERN SILK INDUSTRIES LTD

Md
MG. DIRECTOR

EASTERN SILK INDUSTRIES LTD.

Cash Flow Statement for the Half Year and Quarter Ended 30th September, 2022

	(₹ in lakh)	
	30th Sep, 2022	31st March, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit / (Loss) Before Tax	(320.12)	(686.50)
Add : Adjustments for :		
Depreciation	154.47	402.00
Loss on Sale of Fixed Assets	3.49	27.55
Less : Adjustments for :		
Interest & Dividend Received	2.88	8.34
Sundry Balances Adjusted	0.30	35.15
Operating Profit Before Working Capital Changes	<u>(165.34)</u>	<u>(300.44)</u>
(Increase)/Decrease in Inventories	444.18	477.61
(Increase)/Decrease in Trade Receivables	430.82	121.56
(Increase)/Decrease in Other Non-Current Assets	0.17	(25.44)
(Increase)/Decrease in Other Bank Balances	(2.83)	(9.18)
(Increase)/Decrease in Other Current Assets	13.18	29.11
Increase/(Decrease) in Trade Payables	(124.62)	(266.98)
Increase/(Decrease) in Other Current Liabilities	(176.36)	154.81
Increase/(Decrease) in Non Current Provisions	-	(21.19)
Increase/(Decrease) in Current Provisions	(43.59)	(30.12)
Cash Generated From Operations	<u>375.62</u>	<u>129.74</u>
Taxes paid	6.61	10.86
Net Cash Flow From Operating Activities	<u>369.12</u>	<u>118.88</u>
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Add : Inflows		
Sale of Fixed Assets	10.96	28.04
Interest Received	2.83	8.29
Dividend Received	0.06	0.05
Less : Outflows		
Purchase of Fixed Assets	26.66	166.82
Net Cash Used In Investing Activities	<u>(12.81)</u>	<u>(130.44)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Increase / (Decrease) in Current Borrowings	(390.00)	17.00
Net Cash Used In Financing Activities	<u>(390.00)</u>	<u>17.00</u>
Net Changes In Cash & Cash Equivalents (A+B+C)	<u>(33.70)</u>	<u>5.44</u>
* Cash & Cash Equivalents - Opening Balance	<u>371.34</u>	<u>365.90</u>
* Cash & Cash Equivalents - Closing Balance	<u>337.64</u>	<u>371.34</u>

For EASTERN SILK INDUSTRIES LTD.

Hel
MG. DIRECTOR

Notes:

- 1 Pursuant to the application under section 7 of Insolvency and Bankruptcy Act, 2016 filed by Export-import Bank of India one of the Financial Creditors, being CP (IB) No 588/KB/2020, the National Company Law Tribunal (NCLT), Kolkata Bench, admitted the application vide order dated 10.06.2022 and directed to initiate Corporate Insolvency Resolution Process (CIRP) against the Company. CA Anil Agarwal, (IBBI/IPA-001/IP-P00270/2017-18/10514) has been initially appointed as the Interim Resolution Professional (IRP). Upon commencement of CIRP, the powers of the Board of Directors of the Company stand suspended and management of the Company vest in the IRP/Resolution Professional (RP). Further as per order no. CP (IB) No 588/KB/2020 and IA (I.B.C)/713(KB) 2022 dated 29th July 2022 Mr. Anil Kohli has been appointed as Resolution Professional for the above matter.
- 2 Committee of Creditors (COC) have been constituted on 07th July, 2022 and the revised list of Creditor(s) were updated on 31st October 2022 on the basis of claims received by the IRP/RP.
The admitted claims of Lenders/ Financial creditors as on above mentioned date is Rs.8,93,90,99,403/- (including Interest).
- 3 The meeting of Committee of Creditors, from the date of last reporting of the financial results, were held on 17th August 2022, 14th September 2022, 20th October 2022 and 3rd November 2022 respectively for giving the update to COC regarding the CIRP proceedings along with taking up the other matters in terms of the applicable provisions of the code.
- 4 The Company's ability to continue as a going concern is dependent upon many factors including continued support from the financial creditors, operational creditors, customers and submission of viable resolution plan by the prospective Investor. Under the CIRP, a resolution plan needs to be presented to and approved by the COC and thereafter will need to be approved by the NCLT to keep the Company as going concern. In view of the opinion of the management, resolution and revival of the Company is possible in the foreseeable future. The IRP/RP is expected to make every endeavour to protect and preserve the value of the property of the corporate debtor and manage the operations of the corporate debtor as going concern. Accordingly, the financial statements of the company have been prepared on going concern basis.
- 5 The above financial results which are in accordance with Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 read with SEBI circular dated July 05, 2016, have been prepared by the management. The IRP/RP has relied upon the assistance provided by the management and review of financial results and certifications, representations and statements made by management of the Company and taken on record the same only to the limited extent of discharging the powers of the management of the Company which has been conferred upon him in terms of the provisions of section 17 of the Insolvency and Bankruptcy Code, 2016. The Statutory Auditors of the Company have carried out limited review of these results and the results are being published in accordance Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.
- 6 There shall be moratorium under section 14 of the Insolvency and Bankruptcy Code, 2016 till the completion of the CIRP or until the Adjudicating Authority approves the resolution plan under sub section (1) of section 31 of the IBC or pass an order for liquidation of Corporate Debtors under section 33 of the IBC, as the case may be. In view of Company's admission under CIRP all existing civil legal proceedings such as Goods and Services Tax, Income Tax, ESIC and EPF etc., will be kept in abeyance as moratorium u/s 14 of the Insolvency and Bankruptcy Code, 2016 is applicable on the Company till the conclusion of CIRP.
- 7 The Company has been categorised as Non-Performing Asset by the lender banks and majority of the Lender Banks stopped debiting Interest on their outstanding debts. Accordingly, the Company has not recognised Interest expense on the borrowings including Inter Corporate Deposits. Total Interest not recognised by the company is Rs 7,094.83 lakhs till 30th Sep, 2022 as per management estimates.
- 8 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".

For EASTERN SILK INDUSTRIES LTD.


MG. DIRECTOR

- 9 '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 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.
- 10 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.
- 11 This statement has been prepared in accordance with the Companies (Indian Accounting Standard) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standard) Accounting Rules, 2016.
- 12 Provision aggregating to Rs. 5,977.61 Lakhs has been made against outstanding overdue export debtors of Rs.6,107.20 Lakhs. In the opinion of the management provision is adequate.
- 13 No Deferred Tax Asset on Losses for this current quarter has been recognised due to the uncertainty of profit in the coming years as per the market scenario.
- 14 There are one complaint pending both at the beginning of the quarter and the same was resolved during the quarter. Accordingly, no complaint is pending at the end of quarter.
- 15 Previous period/year's figures have been regrouped / rearranged wherever necessary to confirm to current period presentation.

Place : Kolkata

Date 14th November, 2022

For EASTERN SILK INDUSTRIES LTD. (company
under CIRP)

For EASTERN SILK INDUSTRIES LTD.


MG. DIRECTOR

Sundeep Shah
DIN-00484311
Managing Director

For EASTERN SILK INDUSTRIES LTD.


(Anil Kohli)

Taken on Record by Mr. Anil Kohli
Resolution Professional of Eastern Silk Industries Ltd.
Registration Number- IBBI/PA-001/PP-P00112/2017-18/10219