

Regd. Office :
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Eastern Silk Industries Ltd.

CIN : L17226WB1946PLC013554

E-mail : sales@easternsilk.com / cs@easternsilk.com

Website : www.easternsilk.com

ESIL/2023-24/341

10th August 2023

National Stock Exchange of India Ltd. "Exchange Plaza" Bandra Kurla Complex Bandra (E), Mumbai 400 051 NSE Symbol: EASTSILK	Bombay Stock Exchange Ltd. Floor 25, P.J Tower Dalal Street Mumbai 400 001 BSE Scrip: 590022
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Dear Sirs/ Madam,

Sub: Submission of the Quarterly Results for the Quarter ended on June 30, 2023 in terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Please be informed that pursuant to Regulation 30 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find enclosed herewith the Quarterly Results for the quarter ended on June 30, 2023 which was duly signed by the Managing Director (Power under suspension during CIRP) of the Company and also the same was taken on record by the Resolution Professional on i.e. 10th August, 2023.

Accordingly, in compliance of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith copy of Un-audited Financial Results of the Company for the quarter and ended 30th June 2023 along with the Limited Review Report.

The said Unaudited Financial Results along with the Limited Review Report issued by M/s. B.K. Shroff & Co. Statutory Auditors of the Company are enclosed herewith.

This is for your information and records.

Thanking You

Yours faithfully,
For EASTERN SILK INDUSTRIES LIMITED
(Company under CIRP)

RAHUL JAISWAL
COMPANY SECRETARY & COMPLIANCE OFFICER

EASTERN SILK INDUSTRIES LTD.

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

Corporate Identity Number : L17226WB1946PLC013554

Phone : 033-4064 5731, Fax-033-22482486

Email :investors@easternsilk.com

Website:www.easternsilk.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2023

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

Sl No.	Particulars	Quarter Ended			
		30/06/2023 (Unaudited)	31/03/2023 (Audited)	30/06/2022 (Unaudited)	31/03/2023 (Audited)
					(₹ in Lakhs)
1	Revenue				
	a) Revenue from Operation	465.68	461.76	2,086.30	3,801.29
	b) Other income	41.31	58.84	25.78	145.16
	Total Income	506.99	520.60	2,092.08	3,946.45
2	Expenses				
	(a) Cost of materials consumed	286.09	279.99	454.43	1,353.45
	(b) Purchases of stock-in-trade	11.28	49.71	56.58	277.90
	(c) Changes in inventories of Finished Goods, Work-in- Progress and Stock-in-Trade	73.85	(31.83)	659.23	906.24
	(d) Employee benefit expenses	116.31	152.04	105.34	453.07
	(e) Finance cost	-	112.00	-	112.00
	(f) Depreciation	57.35	69.97	87.49	266.05
	(g) Provision for doubtful debts (net)	-	127.41	-	127.41
	(h) Other Expenses	349.46	496.04	569.00	1,883.75
	Total expenses	894.34	1,255.33	2,132.07	5,389.87
3	Profit / (Loss) from operations before exceptional items (1-2)	(387.35)	(734.73)	(39.99)	(1,443.42)
4	Exceptional Items	-	-	-	-
5	Profit / (Loss) from ordinary activities before tax (3+4)	(387.35)	(734.73)	(39.99)	(1,443.42)
6	Tax expenses				
	(a) Provision for taxation-Current	-	-	-	-
	(b) Income-tax for Earlier years	-	-	-	0.01
	(c) Provision for tax-Deferred	-	-	-	-
7	Net Profit / (Loss) for the period	(387.35)	(734.73)	(39.99)	(1,443.43)
8	Other Comprehensive Income (OCI)				
	(a) Item that will not be reclassified to Profit & Loss (Net of Tax)	0.12	9.55	(0.61)	8.93
	(b) Item that will be reclassified to Profit & Loss (Net of Tax)	-	-	-	-
9	Total Comprehensive Income(After tax)	(387.23)	(725.18)	(40.60)	(1,434.50)
10	Paid-up equity share capital (Face Value of each share- ₹ 2/-)	1,579.05	1,579.05	1,579.05	1,579.05
11	Earnings per share (of ₹2/-each) (not annualised):				
	(a) Basic	(0.49)	(0.93)	(0.05)	(1.83)
	(b) Diluted	(0.49)	(0.93)	(0.05)	(1.83)

For EASTERN SILK INDUSTRIES LTD.

MG. DIRECTOR

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. The figures for the quarters ended 31st March 2023 are the balancing figures between audited figures in respect of the full financial year ended 31st March 2022 and the published unaudited year to date figure upto 31st December 2022. Also, the figures upto the end of third quarter of the financial years were only reviewed and not subject to audit.
3. 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 10th June 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.
4. Committee of Creditors (COC) have been constituted on 4th July, 2022 and the revised list of Creditors updated on 13th March 2023 on the basis of collation of all claims by the IRP/RP.

The admitted claims of Secured Financial creditors as on above mentioned date is Rs. 8,93,90,99,403/- (including Interest). The admitted claims of Unsecured Financial creditors as on above mentioned date is Rs.40,68,13,000/-.

5. No meeting of Committee of Creditors were held from the date of last reporting of the Financial Results. The date of last reporting of the financial results, were held on 30th May 2023.
6. In the 11th COC Meeting held on 3rd March 2023 in which the Resolution Plan submitted by Mr. Ajay Bikram Singh through Baumann Dekor Private Limited was approved by the CoC members on 6th March 2023 and the application for Resolution Plan approval was filed with Hon'ble National Company Law Tribunal on 9th March 2023 and is pending for approval.
7. The Company's ability to continue as a going concern is dependent upon many factors including continued support from the Company Officials/Management, employees, operational creditors, customers and submission of viable resolution plan by the prospective Investor. Under the CIRP, the resolution plan has been approved by the COC and thereafter was filed with Hon'ble NCLT for seeking their approval. Whereupon, in accordance with the CoC & NCLT approved plan, the Company will be handed over to the successful resolution applicant upon full implementation of approved Plan. In view of the opinion of the management, CoC approved resolution Plan, the

revival of the Company is possible in the foreseeable future. Accordingly, the financial statements of the company have been prepared on going concern basis as plant is working and the decision of Hon'ble NCLT on approval of Resolution Plan is pending.

8. 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 have carried out a limited review on the above financial results for the quarter ended 30th June 2023 and the results are being published in accordance Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.
9. 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.
10. The Company has been categorised as Non-Performing Asset and stopped debiting interest on their outstanding debts by the existing lender banks/financial institution as per the Prudential Norms on Income Recognition issued by the Reserve Bank of India. Accordingly, the Company has not recognised interest expense on such borrowings amounting to Rs. 4,986.80 Lakhs till 30th June, 2023 as per the management estimates.
11. In terms of the Settlement Arrangement arrived with the ARC's, the Company failed to meet certain scheduled payment of Instalments within the stipulated time. However, the management were continuously discussing the present position of the Company with the ARC's for waiver of interest before initiation of CIRP process against the Company. Consequently, provision for interest amounting to Rs.3,517.99 lakhs for the period up to 30th June, 2023 has not been made in the books of accounts.
12. 'No Lien Term Deposit' with the consortium bankers for Rs. 2,400.00 Lakhs towards 5% deposit of the amount outstanding against the offer of one-time settlement were made, of which Rs. 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.

13. 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.
14. 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.
15. Provision aggregating to Rs. 6,105.02 Lakhs has been made against total debtors outstanding amounting to Rs.7,238.94 Lakhs. In the opinion of the management the provision is adequate and no further provision is required to be made in the books of accounts.
16. 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.
17. The statement has been prepared in accordance with the Companies (Indian Accounting Standard) Rules 2015 prescribed under section 133 of the Companies Act 2013 read with rules 3 of the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standard) Rules, 2016 by the management of the Company and taken on record by the Resolution Professional.
18. There are no complaint pending at the beginning of the quarter and the no further complaint was received during the quarter. Accordingly, no complaint is pending at the end of quarter
19. Previous period/year's figures have been regrouped / rearranged wherever necessary to confirm to current period presentation.


Place : Kolkata
Date: 10th August 2023

For EASTERN SILK INDUSTRIES LTD.
(Company under CIRP)

For EASTERN SILK INDUSTRIES LTD.


Sundeep Shah
DIN-00484311

Managing Director (Powers under suspension)


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



Independent Auditors Limited Review Report on Unaudited Quarterly Financial Results of Eastern Silk Industries Limited under Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulation 2015, as amended.

**Review report to
The Board of Directors of
Eastern Silk Industries Limited**

1. We have reviewed the accompanying statement of Unaudited financial results of Eastern Silk Industries Limited ("the Company") for the quarter ended 30th June, 2023 ("the Statement"), attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulation 2015, as amended.
2. The preparation of the statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim financial Reporting" prescribed under section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, is the responsibility of the company's management and has been approved by the Board of Directors of the company. Our responsibility is to issue a report on these financial statements based on our review.
3. We conducted our review of the statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" 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 material misstatement(s). A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. **Emphasis of Matter**
We draw attention to the following matters:-
 - a) Note 3 to the Statement which states that 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 in which Mr. Anil Kohli has been appointed as Resolution Professional for the above matter.
 - b) Note 4 to the Statement which states that Committee of Creditors (COC) have been constituted on 04.07.2022 and the revised list of operational Creditor updated on 13th March 2023 on the basis of collection of all claims by the IRP and report is submitted to NCLT by IRP. The admitted claims of Secured Financial creditors as on above mentioned date is



Rs. 8,93,90,99,403/- (including Interest). The admitted claims of Unsecured Financial creditors as on above mentioned date is Rs.40,68,13,000/-.

- c) Note 6 In the 11th COC Meeting held on 03rd March 2023 in which the Resolution Plan submitted by Mr. Ajay Bikram Singh through Baumann Dekor Private Limited was approved by the CoC members on 6th March 2023 and the application for Resolution Plan approval was filed with Hon'ble National Company Law Tribunal on 9th March 2023 and is pending for approval.
- d) Note 7 The Company's ability to continue as a going concern is dependent upon many factors including continued support from the Company Officials/Management, employees, operational creditors, customers and submission of viable resolution plan by the prospective Investor. Under the CIRP, the resolution plan has been approved by the COC and thereafter was filed with Hon'ble NCLT for seeking their approval. Whereupon, in accordance with the CoC & NCLT approved plan, the Company will be handed over to the successful resolution applicant upon full implementation of approved Plan. In view of the opinion of the management, CoC approved resolution Plan, the revival of the Company is possible in the foreseeable future. Accordingly, the financial statements of the company have been prepared on going concern basis as plant is working and the decision of Hon'ble NCLT on approval of Resolution Plan is pending.
- e) Note 10 & 11 to the Statement which states that 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 8,504.79 lakhs till 30th June 2023 as per management estimates.
- f) Note 12 to the Statement which states that the interest accruals on No Lien Term Deposits have not been accounted.
- g) Note 15 to the Statement which states that the Provision aggregating to Rs.6,105.02 lakhs have been made against total debtors outstanding of Rs.7,238.94 lakhs. We are unable to express any opinion, on correctness and/ or adequacy of the provision made.
- h) Note 16 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.

Our conclusion on the statement is not modified in respect of the above stated matters.

- 5. 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 Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

L. K. Shroff

(LALIT KUMAR SHROFF)
PARTNER

Membership Number 060742

Place: Kolkata
Date: 10th August, 2023
UDIN: 23060742BGPTJD1324

