

Regd. Office :
19, R. N. Mukherjee Road
Kolkata - 700 001 (India)
Phone : 033 4064 5731



Eastern Silk Industries Ltd.

CIN : L17226WB1946PLC013554

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

Website : www.easternsilk.com

ESIL/2022-23/297

6th February 2023

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| 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 and Nine Months ended on December 31, 2022 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 and nine months ended on December 31, 2022 which was duly signed by the Managing Director of the Company and also the same was taken on record by the Resolution Professional on i.e. 6th February 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 Quarterly Results of the Company for the quarter and nine months ended on December 31, 2022 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

Digitally signed by
RAHUL JAISWAL
Date: 2023.02.06
17:30:48 +05'30'

RAHUL JAISWAL
COMPANY SECRETARY & COMPLIANCE OFFICER

EASTERN SILK INDUSTRIES LTD.

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

Corporate Identity Number: L17226WB1946PLC015554

Phone: 033-40645731, Fax-033-22482488

Email: investors@easternsilk.com

Website: www.easternsilk.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2022 PREPARED IN COMPLIANCE WITH THE INDIAN ACCOUNTING STANDARDS(IND-AS)

(₹ in Lakhs)

| Sl. No. | Particulars | Quarter Ended | | | Nine Months Ended | | Year Ended |
|---------|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| | | 31/12/2022 (Unaudited) | 30/09/2022 (Unaudited) | 31/12/2021 (Unaudited) | 31/12/2022 (Unaudited) | 31/12/2021 (Unaudited) | 31/03/2022 (Audited) |
| 1 | Revenue | | | | | | |
| | (a) Revenue from Operation | 542.92 | 730.31 | 1,153.47 | 3,339.53 | 5,457.83 | 7,314.03 |
| | (b) Other income | 31.34 | 29.20 | 45.44 | 88.32 | 103.77 | 144.29 |
| | Total Income | 574.26 | 759.51 | 1,198.91 | 3,427.85 | 5,561.60 | 7,458.32 |
| 2 | Expenses | | | | | | |
| | (a) Cost of materials consumed | 131.18 | 487.85 | 581.81 | 1,073.46 | 2,361.23 | 2,827.78 |
| | (b) Purchases of stock-in-trade | 20.63 | 150.98 | 160.49 | 228.19 | 640.03 | 733.47 |
| | (c) Changes in inventories of Finished Goods, Work-in- Progress and Stock-in-Trade | 247.17 | (168.33) | (50.72) | 938.07 | 388.58 | 1,307.63 |
| | (d) Employee benefit expenses | 96.79 | 98.90 | 143.79 | 301.03 | 410.71 | 468.26 |
| | (e) Finance cost | - | - | - | - | - | 112.00 |
| | (f) Depreciation & Amortization Expenses | 71.61 | 66.98 | 99.39 | 226.08 | 298.12 | 402.00 |
| | (g) Other Expenses | 395.45 | 403.25 | 596.14 | 1,387.71 | 1,739.01 | 2,493.68 |
| | Total expenses | 962.83 | 1,039.64 | 1,531.00 | 4,134.54 | 5,837.68 | 8,144.82 |
| 3 | Profit / (Loss) from operations before exceptional items (1-2) | (388.57) | (280.13) | (332.09) | (706.69) | (276.08) | (686.50) |
| 4 | Exceptional items | - | - | - | - | - | - |
| 5 | Profit / (Loss) from ordinary activities before tax (3+4) | (388.57) | (280.13) | (332.09) | (706.69) | (276.08) | (686.50) |
| 6 | Tax expenses | | | | | | |
| | (a) Provision for taxation-Current | - | - | - | - | - | - |
| | (b) Income-tax for Earlier years | 0.01 | - | - | 0.01 | - | - |
| | (c) Provision for tax-Deferred | - | - | - | - | - | - |
| 7 | Net Profit / (Loss) for the period | (388.58) | (280.13) | (332.09) | (706.70) | (276.08) | (686.50) |
| 8 | Other Comprehensive Income (OCI) | | | | | | |
| | (a) Item that will not be reclassified to Profit & Loss (Net of Tax) | 0.32 | (0.33) | (0.05) | (0.62) | 0.72 | 26.83 |
| | (b) Item that will be reclassified to Profit & Loss (Net of Tax) | - | - | - | - | - | - |
| 9 | Total Comprehensive Income (After tax) | (388.26) | (280.46) | (332.14) | (706.32) | (275.36) | (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 | (0.49) | (0.35) | (0.42) | (0.90) | (0.35) | (0.87) |
| | (b) Diluted | (0.49) | (0.35) | (0.42) | (0.90) | (0.35) | (0.87) |

For EASTERN SILK INDUSTRIES LTD.

MD DIRECTOR

T. K. Chatterjee

[Signature]

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 operational Creditors and unsecured financial Creditors updated on 11th January 2023 on the basis of collection 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/-.
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, 3rd November 2022, 1st December 2022, 3rd January 2023 and 30th January 2023 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.

For EASTERN SILK INDUSTRIES LTD.

MD. DIRECTOR

Taken on Record
Anil

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 7,516.73 lakhs till 31st Dec, 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".
9. '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 of Rs.392.59 Lakhs 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.6,201.26 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 no complaint pending at the beginning of the quarter and two complaint were received during the quarter. Accordingly, two complaints are pending at the end of quarter.

For EASTERN SILK INDUSTRIES LTD

MD. DIRECTOR

Taken on Record
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15. Previous period/year's figures have been regrouped / rearranged wherever necessary to confirm to current period presentation.

Place: Kolkata
Date: 06.02.2023

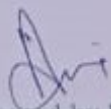
For EASTERN SILK INDUSTRIES
LTD. (company under CIRP)

For EASTERN SILK INDUSTRIES LTD.

MD DIRECTOR

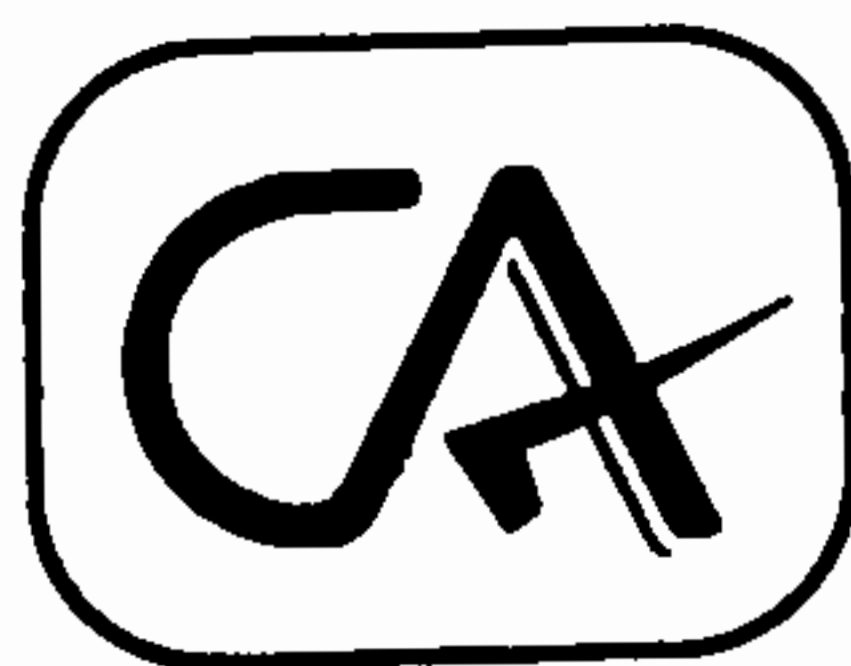
Power

Sundeep Shah DIN-00484311
Suspended-Managing Director



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 Resolution Professional 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 and nine months ended 31st December, 2022 ("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 followings matters: -
 - a) Note 1 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 Mr. Anil Kohli has been appointed as Resolution Professional for the above matter.



- b) Note 2 to the Statement which states that Committee of Creditors (COC) have been constituted on 07.07.2022 and the revised list of operational Creditor and unsecured financial creditors updated on 11th January, 2023 on the basis of collection of all claims by the IRP/RP. However, Lenders/ Financial creditors have submitted the claims to the IRP/RP amounting to Rs.8,93,90,99,403/-(including Interest), unsecured financial creditors amounting to Rs.40,68,13,000 which have been admitted by IRP/RP.
- c) Note 4 to the Statement which states that the financial statements of the company have been prepared on going concern basis.
- d) Note 7 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 7,516.73 lakhs till 31st December, 2022 as per management estimates.
- e) Note 9 to the Statement which states that the interest accruals on No Lien Term Deposits have not been accounted.
- f) Note 12 to the Statement which states that the Provision aggregating to Rs.5,977.61 lakhs has been made against outstanding overdue export debtors of Rs.6,201.26 lakhs. We are unable to express any opinion, on correctness and/ or adequacy of the provision made.

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.

Place: Kolkata
Date: 06th February, 2023



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

L. K. Shroff

Lalit Kumar Shroff
PARTNER
Membership Number: 060742.
UDIN: 23060742BGPTFT7658