



## Eastern Treads Limited

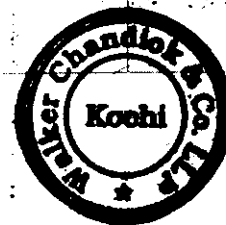
CIN: L25119KL1993PLC007213

Regd. Off: 3A, 3rd floor, Eastern Corporate Office, 34/137 E, NH Bypass, Edappally, Kochi, Ernakulam-682 024

(₹ in lakhs, except per share data)

### Statement of Standalone Unaudited Financial Results for the quarter and six months ended 30 September 2017

Sl. No.	Particulars (Refer notes below)	Quarter ended			Six months ended	
		30-Sep-17	30-Jun-17	30-Sep-16	30-Sep-17	30-Sep-16
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
I	Revenue from operations	2,123.61	2,903.52	2,184.26	5,027.13	4,566.14
II	Other income	4.48	2.47	37.31	6.95	47.60
III	<b>Total revenue (I+II)</b>	<b>2,128.09</b>	<b>2,905.99</b>	<b>2,221.57</b>	<b>5,034.08</b>	<b>4,613.74</b>
IV	<b>Expenses:</b>					
	a. Cost of materials consumed	1,129.31	1,337.72	853.17	2,467.02	1,748.81
	b. Purchases of stock-in-trade	518.99	903.65	645.97	1,422.64	1,329.46
	c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	50.41	60.22	85.92	110.63	(88.97)
	d. Excise duty on sales (refer note 4)	-	100.84	123.70	100.84	265.53
	e. Employee benefits expense	209.86	216.56	197.76	426.42	390.25
	f. Finance costs	76.24	79.39	65.56	155.63	119.65
	g. Depreciation and amortisation expense	63.43	48.61	43.89	112.04	94.24
	h. Other expenses	234.99	322.82	153.37	557.81	585.43
	<b>Total expenses</b>	<b>2,283.23</b>	<b>3,069.81</b>	<b>2,169.34</b>	<b>5,353.03</b>	<b>4,444.40</b>
V	(Loss)/Profit before exceptional and taxes (III-IV)	(155.14)	(163.82)	52.23	(318.94)	169.34
VI	Exceptional items	-	-	-	-	-
VII	(Loss)/Profit before tax (V-VI)	(155.14)	(163.82)	52.23	(318.94)	169.34
VIII	Tax expenses:					
	- Current tax	-	-	22.27	-	69.90
	- Deferred tax	(15.46)	(5.37)	(4.86)	(20.83)	(14.07)
IX	(Loss)/Profit for the period from continuing operations (VII-VIII)	(139.68)	(158.45)	34.82	(298.12)	113.51
X	(Loss)/Profit from discontinuing operations	-	-	-	-	-
XI	Tax expense of discontinuing operations	-	-	-	-	-
XII	(Loss)/Profit from discontinuing operations (after tax) (XII-XII)	-	-	-	-	-
XIII	(Loss)/Profit for the period (IX+XII)	(139.68)	(158.45)	34.82	(298.12)	113.51
XIV	Other comprehensive loss (net of tax expenses)	-	-	-	-	-
XV	<b>Total comprehensive loss for the period (XIV+XV)</b>	<b>(139.68)</b>	<b>(158.45)</b>	<b>34.82</b>	<b>(298.12)</b>	<b>113.51</b>
XVI	Paid-up equity share capital (face value of ₹ 10 each) (numbers in lakhs)	52.32	52.32	52.32	52.32	52.32
XVII	(Loss)/ Profit per equity share:					
	(a) Basic: (₹)	(2.67)	(3.03)	0.67	(5.70)	2.17
	(b) Diluted: (₹)	(2.67)	(3.03)	0.67	(5.70)	2.17



EASTERN TREADS LTD

M. E. MOHAN

(₹ in Lakhs)

**BALANCE SHEET**Particulars  
(Refer notes below)As at  
30-Sep-17  
Unaudited

Particulars (Refer notes below)	As at 30-Sep-17 Unaudited
<b>A ASSETS</b>	
<b>1 Non Current Assets</b>	
(a) Property Plant & Equipment	1,523.34
(b) Capital Work in Progress	38.17
(c) Intangible assets	11.33
(d) Financial Assets	
(i) Investment	-
(ii) Trade receivables	17.22
(iii) Loans	4.29
(iv) Other Financial Assets	89.58
(e) Other non Current Assets	61.07
Sub total - Non current assets	<b>1,745.00</b>
<b>2 Current Assets</b>	
(a) Inventories	861.10
(b) Financial Assets	
(i) Investment	-
(ii) Trade Receivables	2,357.41
(iii) Cash and Cash Equivalents	78.40
(iv) Bank Balance other than (iii) above	25.50
(v) Loans	11.50
(vi) Other financial assets	8.60
(c) Other Current Assets	32.70
Total - Current assets	<b>3,375.21</b>
Total Assets	<b>5,120.21</b>
<b>B EQUITY AND LIABILITIES</b>	
<b>1 Equity</b>	
(a) Equity Share Capital	541.18
(b) Other Equity	381.39
Total Equity	<b>922.57</b>
<b>2 Liabilities</b>	
<b>Non current liabilities</b>	
(a) Financial Liabilities	
(i) Borrowings	850.10
(ii) Other financial liabilities	8.29
(b) Provisions	66.07
(c) Deferred Tax Liabilities (net)	165.30
(d) Other Non- current Liabilities	23.21
Total - Non current liabilities	<b>1,112.97</b>
<b>3 Current Liabilities</b>	
(a) Financial Liabilities	
(i) Borrowings	1,214.51
(ii) Trade Payables	1,227.60
(iii) Other Financial Liabilities	529.37
(b) Provisions	34.92
(c) Other current liabilities	78.27
Total - Current liabilities	<b>3,084.67</b>
Total Liabilities	<b>4,197.64</b>
<b>EQUITY AND LIABILITIES</b>	<b>5,120.21</b>



EASTERN TREADS

M. E. MOHAN

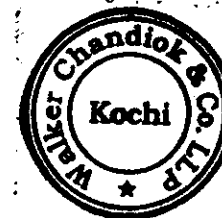
**Notes:**

- The Company has adopted, Indian Accounting Standards prescribed under Section 133 of The Companies Act 2013 (Ind AS) from 1 April 2017 and accordingly these financial results and all the period presented have been prepared in accordance with the recognition and measurement principles laid down in IND AS 34 - Interim Financial Reporting read with relevant rules issued thereunder and the other accounting principles generally accepted in India and discloses the information required to be disclosed in terms of Regulation 33 of the Securities and Exchange Board of India (LODR) regulation 2015 and amendment thereon. The opening Balance sheet as at 01 April 2016 and the results for the subsequent periods would be finalised and will be subject to audit at the time of annual financial statements for the year ended 31 March 2018.
- The Company has opted to avail the relaxations provided by the Securities and Exchange Board of India, vide its circular no. CIR/CFD/FAC/62/2016 dated July 05, 2016 (circular), as available to listed entities. Accordingly, the Company has provided Ind AS compliant financial results only for the previous quarter ended September 30, 2016 along with the financial results for the quarter ended September 30, 2017. Further in accordance with the relaxations provided in the aforesaid circular, the results for the previous quarter ended September 30, 2016 have not been subject to limited review or audit by the statutory auditors. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs.
- The reconciliation of net (loss)/profit as previously reported (referred to as 'previous GAAP') and the total comprehensive income as per Ind AS for the quarter and six months ended 30 September 2016 is as per table below:

Particulars	(₹ in lakhs)	
	Quarter ended 30 September 2016 (Unaudited)	Six months ended 30 September 2016 (Unaudited)
<b>Profit after tax as reported under previous GAAP</b>	<b>44.62</b>	<b>135.73</b>
<b>Adjustments on account of:</b>		
(i) Measurement of financial assets and liabilities at amortised cost		
- Long term borrowings	(0.65)	(1.25)
- Issue of preference shares	(16.95)	(33.90)
- Security deposits paid	(0.02)	(0.05)
- Loans given to franchisees	0.16	0.32
- Security deposits received from employees	0.01	0.01
(ii) Revenue from credit sales recorded at fair value	0.24	(1.34)
(iii) Deferred tax impact of above Ind AS adjustments	5.97	12.55
(iv) Others	1.44	1.44
<b>Profit after tax as reported under Ind AS</b>	<b>34.82</b>	<b>113.51</b>
Other comprehensive income (net of tax)	-	-
<b>Total comprehensive income as reported under Ind AS</b>	<b>34.82</b>	<b>113.51</b>

- According to the requirements of SEBI (Listing and Disclosure Requirements) Regulations 2015, revenue for the three months ended June 30, 2017, three months and six months ended September 30, 2016, six months ended September 30, 2017, are reported inclusive of excise duty. The Government of India has implemented Goods & Service Tax (GST) from July 01, 2017 replacing Excise Duty, Service Tax and various other indirect taxes. As per IND AS 18, the revenue for the three months ended September 30, 2017, is reported net of GST.
- The above unaudited results were reviewed by the Audit Committee on December 13, 2017, which were approved by the Board of Directors in the meeting held on December 14, 2017 and the limited review of the same has been carried out by the statutory auditors.
- As the Company has only one operating segment, representing manufacture and trading of quality Tread Rubber, Rubber Compounds, Bonding Gum & BVC, disclosure under Ind AS 108 on "Operating Segment" is not applicable.
- Normal variations in input costs are generally factored in product pricing, however exceptional fluctuations had adversely impacted on profitability. Even though Pre GST sales affected margins, it is expected normalise in the coming quarters, hence the results for the quarter ended September 30, 2017 may not be representative of the expected financial results for the year.
- Prior period comparatives have been regrouped/reclassified wherever necessary to conform to the presentation in the current period and are compliant with Ind AS. The management has exercised necessary due diligence to ensure that the financial results give a true and fair view.

For Eastern Treads Limited

M E Mohamed  
Managing Director

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## Independent Auditor's Review Report on the Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Eastern Treads Limited

1. We have reviewed the accompanying statement of unaudited financial results ("Statement") of Eastern Treads Limited ("the Company") for the quarter ended 30 September 2017 and the year to date results for the period 1 April 2017 to 30 September 2017, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the corresponding quarter ended 30 September 2016 and year to date results for the period 1 April 2016 to 30 September 2016, including the reconciliation of net profit under Ind AS of the corresponding quarter and year to date with the net profit reported under previous GAAP, as included in the Statement have been approved by the Board of Directors but have not been subject to limited review or audit. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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 Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiook & Co LLP is registered with limited liability  
with identification number AAC-2085 and its registered  
office at L-41 Connaught Circus, New Delhi, 110001, India

# Walker Chandiook & Co LLP

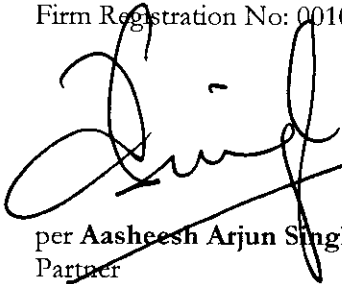
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other recognized accounting practices and policies has not disclosed the information required to be disclosed in accordance with the requirements 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.

Walker Chandiook & Co LLP

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013





per Aasheesh Arjun Singh

Partner

Membership No. 210122

Kochi

14 December 2017