

Date: 22.04.2025
Ref : ETL/BSE/INT/010/25-26

To,
The Corporate Relationship Department,
BSE Limited,
Floor 25, PJ Towers, Dalal Street,
Mumbai – 400001.

Scrip Code: 531346 **Scrip ID:** EASTRED

Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sir/Madam,

In reference to our intimation dated March 26, 2025 regarding the receipt of show cause notice along with an order from Income Tax Department, Government of India including a demand notice under Section 156 of the Income Tax Act, 1961, demanding a sum of Rs.1,90,34,980/- in accordance with Section 274 read with Section 271AAC(1) of Income Tax Act. The order was appealable and the Company filed an appeal to the Appellate Authority under Income Tax Act, 1961. Further updates on the same will be intimated to the Stock Exchange in due course.

Information as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule III and the SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, on the above mentioned litigation is enclosed as **Annexure A**.

We request you to take the above on record and note the compliance under relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking You

For **EASTERN TREADS LIMITED**

Abil Anil
Company Secretary



Eastern Treads Ltd.

CIN : L25119KL1993PLC007213

Reg. Office: 3 A, 3rd Floor, Eastern
Corporate Office, 34/137 E, N H Bye-Pass,
Edappally P. O., Kochi, Kerala - 682 024, India.

Factory : Oonnukal P.O, Kothamangalam
Ernakulam, Kerala - 686 693.

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E-mail : treads@easterntreads.com

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Annexure A

No	Particulars	Details
1	Brief details of litigation	<p>i) For the Assessment Year 2023-24, the company had filed the return of income reporting a business loss amounting to Rs. 7.70 Crores. The books of accounts were duly maintained and audited under section 44AB.</p> <p>ii) During the course of assessment proceedings, the Assessing Officer sought third-party confirmations of the purchases by issuing notices under section 133(6) of the Income-tax Act, 1961 to the respective suppliers.</p> <p>iii) The learned assessing authority mentions that in respect of purchases amounting to Rs.1.97 Crores respondents did not reply to the notice u/s 133(6).</p> <p>vi) As a result, the AO treated this purchase amount as unexplained expenditure under Section 69C, and consequently invoked the provisions of Section 115BBE, leading to addition to the total income and raising a significant demand of Rs. 1.90 Crores from the company.</p> <p>vii) The Company had duly maintained books of accounts, stock registers, invoices, bank payment details, and ledger accounts evidencing the genuineness of the purchases. The payments were made through banking channels, and the purchases were duly recorded and utilized in the business operations.</p> <p>viii) The non-receipt of confirmations from third parties was beyond the control of the Company. The company believes that the imposition of the aforesaid penalty due to absence of third-party response is not maintainable particularly when all documentary evidences proving the genuineness of transactions are on record.</p> <p>viii) Hence, the company has filed an appeal against the order dated March 25, 2025 to Joint Commissioner(Appeals) or the Commissioner of Income Tax under Income Tax Act,1961</p>
2	Expected Financial implications	Rs. 1,90,34,980/-



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