



**EASTERN TREADS LIMITED**

CIN: L25119KL1993PLC007213

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

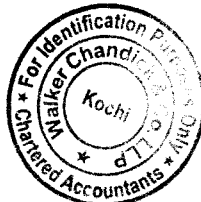
(₹ in lakhs, except earnings per share)

Statement of unaudited standalone financial results for the quarter ended 30 June 2019					
Sl. No.	Particulars (Refer notes below)	Standalone			
		Quarter ended		Year ended	
		30-Jun-19	31-Mar-19	30-Jun-18	31-Mar-19
		Unaudited	Audited (Refer Note 2)	Unaudited	Audited
I	Revenue from operations	2,134.54	2,503.62	2,614.06	9,745.88
II	Other income	7.21	3.62	7.56	47.63
III	<b>Total revenue (I+II)</b>	<b>2,141.75</b>	<b>2,507.24</b>	<b>2,621.62</b>	<b>9,793.51</b>
IV	<b>Expenses:</b>				
	a. Cost of materials consumed	1,394.08	1,527.22	1,710.21	6,325.24
	b. Purchases of stock-in-trade	13.94	15.24	363.37	633.97
	c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	37.52	182.71	(227.02)	(83.55)
	d. Employee benefits expense	249.29	243.85	246.78	997.91
	e. Finance costs	76.40	102.39	80.48	361.33
	f. Depreciation and amortisation expense	63.93	64.12	68.71	263.32
	g. Other expenses	313.05	403.08	387.15	1,484.47
	<b>Total expenses</b>	<b>2,148.21</b>	<b>2,538.61</b>	<b>2,629.68</b>	<b>9,982.69</b>
V	<b>Loss before exceptional items and taxes (III-IV)</b>	<b>(6.46)</b>	<b>(31.37)</b>	<b>(8.06)</b>	<b>(189.18)</b>
VI	Exceptional items	-	-	-	-
VII	<b>Loss before tax (V-VI)</b>	<b>(6.46)</b>	<b>(31.37)</b>	<b>(8.06)</b>	<b>(189.18)</b>
VIII	Tax expenses:				
	- Current tax	-	-	-	-
	- Deferred tax	(1.87)	(8.11)	(3.41)	(18.41)
IX	<b>Loss for the period/year (VII-VIII)</b>	<b>(4.59)</b>	<b>(23.26)</b>	<b>(4.65)</b>	<b>(170.77)</b>
X	Other comprehensive loss (net of tax expenses) (i) items that will not be reclassified to the statement of profit or loss	(4.96)	(14.97)	(1.62)	(19.84)
XI	<b>Total comprehensive loss for the period (IX+X)</b>	<b>(9.55)</b>	<b>(38.23)</b>	<b>(6.27)</b>	<b>(190.61)</b>
XII	Paid-up equity share capital (face value of ₹ 10 each)	523.20	523.20	523.20	523.20
XIII	Other equity				258.38
XIV	<b>Loss per equity share:</b>				
	(a) Basic: (₹)	(0.09)	(0.44)	(0.09)	(3.26)
	(b) Diluted: (₹)	(0.09)	(0.44)	(0.09)	(3.26)
		not annualised			

**Notes:**

- These financial results have been prepared in accordance with the recognition and measurement principles of applicable Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rule 2015, as amended, as specified in Section 133 of the Companies Act 2013.
- The figures for the quarter ended 31 March 2019 are the balancing figures between the audited figures in respect of the full financial year ended 31 March 2019 and the unaudited year to date figures up to 31 December 2018, which were subject to limited review.
- The Company is engaged in the manufacture and trading of tyre retreading materials which form part of a single segment product group and is primarily operating in India. As the Chief Operating Decision Maker (CODM) reviews business performance at an overall company level, disclosure requirement under Ind AS 108 on "Operating Segment" is not applicable.
- The Company has adopted Ind AS 116, "leases", effective 01 April 2019 as notified by the Ministry of Corporate Affairs (MCA) in the Companies (Indian Accounting Standards), Amendment Rules, 2019 using modified retrospective method. The adoption of this standard did not have any material impact on results of the current quarter.
- Prior period comparatives have been regrouped/reclassified wherever necessary to correspond with the current period classification.
- The above unaudited standalone results were reviewed by the Audit Committee on 14 August 2019, which were approved by the Board of Directors in the meeting held on 14 August 2019. The same has been subjected to limited review by the Statutory Auditors of the Company.

Place : Kochi  
Date : 14 August 2019



**For EASTERN TREADS LIMITED**

**M.E. Mohamed**  
Managing Director  
DIN: 00129005

# Walker Chandiook & Co LLP

**Walker Chandiook & Co LLP**  
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India

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

### **To the Board of Directors of Eastern Treads Limited**

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Eastern Treads Limited ('the Company') for the quarter ended 30 June 2019, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



# Walker Chandiook & Co LLP

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

4. 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 the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, the SEBI Circular, and other accounting principles generally accepted in India, 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 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

### For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013



**Krishnakumar Ananthasivan**

Partner

Membership No. 206229

UDIN: 19206229AAAABP7433



**Place:** Kochi

**Date :** 14 August 2019



**EASTERN TREADS LIMITED**

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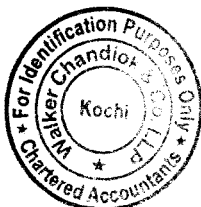
(₹ in lakhs, except earnings per share)

Statement of unaudited consolidated financial results for the quarter ended 30 June 2019				
Sl. No.	Particulars (Refer notes below)	Consolidated		
		Quarter ended		Year ended
		30-Jun-19	31-Mar-19	31-Mar-19
		Unaudited	Unaudited (Refer Note 2)	Audited (Refer Note 2)
I	Revenue from operations	2,138.45	2,503.62	9,745.88
II	Other income	6.05	3.56	47.03
III	<b>Total revenue (I+II)</b>	<b>2,144.50</b>	<b>2,507.18</b>	<b>9,792.91</b>
IV	<b>Expenses:</b>			
	a. Cost of materials consumed	1,394.08	1,527.22	6,325.24
	b. Purchases of stock-in-trade	13.94	15.24	633.97
	c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	37.52	182.71	(83.55)
	d. Employee benefits expense	253.04	247.04	1,002.85
	e. Finance costs	76.85	102.90	361.60
	f. Depreciation and amortisation expense	64.61	64.77	264.30
	g. Other expenses	320.79	405.79	1,488.68
	<b>Total expenses</b>	<b>2,160.83</b>	<b>2,545.67</b>	<b>9,993.09</b>
V	<b>Loss before exceptional items and taxes (III-IV)</b>	<b>(16.33)</b>	<b>(38.49)</b>	<b>(200.18)</b>
VI	Exceptional items	-	-	-
VII	<b>Loss before tax (V-VI)</b>	<b>(16.33)</b>	<b>(38.49)</b>	<b>(200.18)</b>
VIII	Tax expenses:			
	- Current tax	-	-	-
	- Deferred tax	(1.93)	(7.86)	(18.66)
IX	<b>Loss for the period/year (VII-VIII)</b>	<b>(14.40)</b>	<b>(30.63)</b>	<b>(181.52)</b>
X	Other comprehensive loss (net of tax expenses)			
	(i) items that will not be reclassified to the statement of profit or loss	(4.96)	(14.97)	(19.84)
XI	<b>Total comprehensive loss for the period (IX+X)</b>	<b>(19.36)</b>	<b>(45.60)</b>	<b>(201.36)</b>
	<b>Net loss attributable to:</b>			
	Owners of the Holding Company	(9.98)	(27.54)	(176.68)
	Non-controlling interest	(4.42)	(3.09)	(4.84)
	<b>Other comprehensive loss attributable to:</b>			
	Owners of the Holding Company	(4.96)	(14.97)	(19.84)
	Non-controlling interest	-	-	-
	<b>Total comprehensive loss attributable to:</b>			
	Owners of the Holding Company	(14.94)	(42.51)	(196.52)
	Non-controlling interest	(4.42)	(3.09)	(4.84)
XII	Paid-up equity share capital (face value of ₹ 10 each)	523.20	523.20	523.20
XIII	Other equity			252.47
XIV	<b>Loss per equity share:</b>			
	(a) Basic: (₹)	(0.19)	(0.53)	(3.38)
	(b) Diluted: (₹)	(0.19)	(0.53)	(3.38)
		not annualised		

**Notes:**

- These financial results have been prepared in accordance with the recognition and measurement principles of applicable Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rule 2015, as amended, as specified in Section 133 of the Companies Act 2013.
- Pursuant to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time, the Company has published consolidated quarterly results. On 12 November 2018, the Company made an equity investment of Rs. 2.59 lakhs (55%) in Shipnext Solutions Private limited, a company engaged in managing fleet management aggregation in IT Platform. Consolidated results prepared in accordance with Ind AS 110, Consolidated Financial Statements for the period starting from 12 November 2018 and ended on 31 March 2019 were published for the first time during the previous year. Hence, consolidated results for quarter ended 30 June 2018 is not applicable. The consolidated results for the quarter ended 31 March 2019 are as certified by the management and have not been subject to a limited review or an audit by the statutory auditors.
- The Group is engaged in the manufacture and trading of tyre retreading materials and other allied activities which form part of a single segment product group and is primarily operating in India. As the Chief Operating Decision Maker (CODM) reviews business performance at an overall group level, disclosure requirement under Ind AS 108 on "Operating Segment" is not applicable.
- The Group has adopted Ind AS 116, "Leases", effective 01 April 2019 as notified by the Ministry of Corporate Affairs (MCA) in the Companies (Indian Accounting Standards), Amendment Rules, 2019 using modified retrospective method. The adoption of this standard did not have any material impact on results of the current quarter.
- Prior period comparatives have been regrouped/reclassified wherever necessary to correspond with the current period classification.
- The above unaudited consolidated results were reviewed by the Audit Committee on 14 August 2019, which were approved by the Board of Directors in the meeting held on 14 August 2019. The same has been subjected to limited review by the Statutory Auditors of the Company.

Place : Kochi  
Date : 14 August 2019



For EASTERN TREADS LIMITED

**M. E. Mohamed**  
Managing Director  
DIN: 00129005

# Walker Chandiook & Co LLP

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

### **To the Board of Directors of Eastern Treads Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Eastern Treads Limited ('the Holding Company') and its subsidiary, Shipnext Solutions Private Limited (the Holding Company and its subsidiary together referred to as 'the Group'), for the quarter ended 30 June 2019, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.

Attention is drawn to the fact that the consolidated figures of the preceding quarter ended 31 March 2019, as reported in the statement have been approved by the Holding Company's Board of Directors, but have not been subjected to audit or review.

2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.



# Walker Chandiook & Co LLP

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

4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, the SEBI Circular(s) and other accounting principles generally accepted in India, 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 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We did not review the interim financial results of one subsidiary included in the Statement, whose financial information reflects total revenues of ₹ 3.93 lakhs, total net (loss) after tax of ₹ (9.81) lakhs and total comprehensive (loss) of ₹ (9.81) lakhs for the quarter ended on 30 June 2019, as considered in the Statement. These interim financial results have been reviewed by other auditors whose review report has been furnished to us by the other auditors at the request of the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the review report of such other auditors and the procedures performed by us as stated in paragraph 3 above. Our conclusion is not modified in respect of this matter.

**For Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Registration No: 001076N/N500013



**Krishnakumar Ananthasivan**  
Partner  
Membership No. 206229  
UDIN: 19206229AAAABR8034



**Place:** Kochi  
**Date :** 14 August 2019