

Dated, 09 November, 2022  
REF: ETL/BSE/UFR/Q2/FY22-23

Scrip Code : 531346

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

Dear Sir,

**Sub:- Unaudited Financial Results as on 30 September 2022**

Pursuant to the provisions of Regulation 30 and 33 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015, we submit herewith the Unaudited Financial Statements and Auditors Limited Review Report on financial results for the quarter and period ended **30 September 2022**.

The Meeting of the Board of Directors of the Company held today, 09 November 2022 at 3.00 PM at the registered office of the company and approved the financial results for the quarter and period ended 30 September 2022.

The meeting concluded at 5.20 PM.

Kindly take the information in your records.

Thanking you,

Yours faithfully,  
For EASTERN TREADS LIMITED

BAIJU.T  
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.

Phone : +91 484 7161100

E-mail : [treads@easterntreads.com](mailto:treads@easterntreads.com)

Web : [www.easterntreads.com](http://www.easterntreads.com)

Phone : +91 485 2855 448

# G. JOSEPH & ASSOCIATES

Chartered Accountants

## INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS OF THE COMPANY PURSUANT TO THE REGULATION 33 OF SEBI (LISTING OBLIGATION 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 Financial Results of EASTERN TREADS LIMITED (the "Company"), for the quarter and six months ended September 30, 2022 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended), including relevant circulars issued by SEBI from time to time.
2. This 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 the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) including relevant circulars issued by SEBI from time to time. 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 (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel 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 Standards on Auditing specified under section 143(10) of the Companies Act, 2013 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.
4. Based on our review conducted 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 the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms 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.



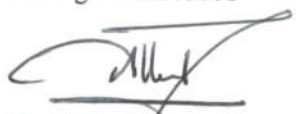
# G. JOSEPH & ASSOCIATES

Chartered Accountants

5 We draw attention to note 3 of the accompanying Statement which describes the uncertainties associated with recovery of market operations post COVID-19 and the management's evaluation of its probable impact on the company's operations as at the reporting date, the extent of which is dependent on ongoing as well as future developments, which are highly uncertain. Further, as stated in the same note, the Company has received a letter of financial support from the chairman and promoter director of the Company to mitigate the aforesaid impact on the Company. Our conclusion is not modified in respect of this matter.

Place: Kochi  
Date : 09-11-2022  
UDIN- 22228498BCPZPK9028

For G Joseph & Associates  
**Chartered Accountants**  
Firm Reg. No. 006310S

  
**Allen Thomas Joseph**  
Partner  
M No. 228498





# **EASTERN TREADS LIMITED**

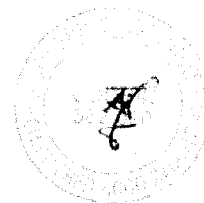
CIN: L25119KL1993PLC007213

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

(₹ in lakhs, except earnings per equity share)

## **STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 SEPTEMBER 2022**

Sl. No.	Particulars (Refer notes below)	Quarter ended			Half Year ended		Year ended
		30-Sep-22	30-Jun-22	30-Sep-21	30-Sep-22	30-Sep-21	31-Mar-22
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	<b>Income</b>						
	(a) Revenue from operations	1,325.40	1,687.12	2,064.43	3,012.52	3,539.59	7,227.54
	(b) Other income	0.36	3.17	11.02	3.53	17.34	33.96
	<b>Total income</b>	<b>1,325.76</b>	<b>1,690.29</b>	<b>2,075.45</b>	<b>3,016.05</b>	<b>3,556.93</b>	<b>7,261.50</b>
II	<b>Expenses</b>						
	(a) Cost of materials consumed	1,034.34	1,230.95	1,323.81	2,265.29	2,520.93	4,966.63
	(b) Purchases of stock-in-trade	0.76	1.60	31.87	2.56	58.93	60.94
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-115.06	(15.73)	196.57	(130.79)	(3.37)	238.32
	(d) Employee benefits expense	236.17	238.47	248.51	474.64	472.86	971.62
	(e) Finance costs	78.46	61.08	83.49	139.54	159.00	320.48
	(f) Depreciation and amortisation expense	41.35	42.16	46.59	83.51	96.07	183.23
	(g) Other expenses	265.07	316.39	347.52	581.46	609.96	1,509.40
	<b>Total expenses</b>	<b>1,541.09</b>	<b>1,875.13</b>	<b>2,278.36</b>	<b>3,416.21</b>	<b>3,914.37</b>	<b>8,250.82</b>
III	<b>Loss before exceptional items and tax (I-II)</b>	<b>(215.33)</b>	<b>(184.84)</b>	<b>(202.91)</b>	<b>(400.16)</b>	<b>(357.44)</b>	<b>(989.32)</b>
IV	<b>Exceptional items</b>						
V	<b>Loss before tax (III-IV)</b>	<b>(215.33)</b>	<b>(184.84)</b>	<b>(202.91)</b>	<b>(400.16)</b>	<b>(357.44)</b>	<b>(989.32)</b>
VI	<b>Tax expenses:</b>						
	- Current tax	-	-	-	-	-	-
	- Deferred tax credit	4.93	(7.04)	(6.95)	(11.97)	(12.94)	(21.19)
VII	<b>Loss for the period / year (V-VI)</b>	<b>(203.36)</b>	<b>(177.80)</b>	<b>(195.96)</b>	<b>(388.19)</b>	<b>(344.50)</b>	<b>(968.13)</b>
VIII	<b>Other comprehensive income / (loss)</b>						
	(a) Items that will not be reclassified to profit or loss	-	-3.79	0.93	-	1.86	518.12
	(b) Income tax relating to items that will not be reclassified to profit or loss	-	0.95	(0.24)	-	(0.47)	(130.41)
IX	<b>Total comprehensive loss for the period / year (VII+VIII)</b>	<b>(203.36)</b>	<b>(180.64)</b>	<b>(195.27)</b>	<b>(388.19)</b>	<b>(343.11)</b>	<b>(580.42)</b>
X	<b>Paid up equity share capital (face value of ₹ 10 each)</b>	523.20	523.20	523.20	523.20	523.20	523.20
XI	<b>Other equity</b>						(492.80)
XII	<b>Loss per equity share:</b>						
	(a) Basic (₹)	(3.89)	(3.40)	(3.75)	(7.42)	(6.58)	(18.50)
	(b) Diluted (₹)	(3.89)	(3.40)	(3.75)	(7.42)	(6.58)	(18.50)
Not annualised							





# EASTERN TREADS LIMITED

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

## Standalone Unaudited Balance sheet as at 30 September 2022

Particulars (Refer notes below)	₹ in lakhs	
	As at 30-Sep-22	As at 31-Mar-22
	Unaudited	Audited
<b>A ASSETS</b>		
<b>1 Non-current assets</b>		
(a) Property plant and equipment	1,503.18	1,599.34
(b) Capital work-in-progress	16.65	16.61
(c) Intangible assets	2.06	3.29
(d) Financial assets		
(i) Investments	-	-
(ii) Trade receivables	0.35	0.35
(iii) Loans	-	-
(iii) Other financial assets	(1.58)	24.32
(e) Other non-current assets	2.09	3.83
<b>Total non-current assets</b>	<b>1,522.75</b>	<b>1,647.74</b>
<b>2 Current assets</b>		
(a) Inventories	1,048.01	749.30
(b) Financial assets		
(i) Trade receivables	1,572.95	1,999.25
(ii) Cash and cash equivalents	58.65	80.43
(iii) Bank balance other than cash and cash equivalents	99.12	78.26
(iv) Loans	0.50	0.50
(v) Other financial assets	55.94	45.89
(c) Current tax asset (net)	38.89	37.81
(d) Other current assets	14.51	64.76
<b>Total current assets</b>	<b>2,888.57</b>	<b>3,056.21</b>
<b>Total assets</b>	<b>4,411.32</b>	<b>4,703.94</b>
<b>B EQUITY AND LIABILITIES</b>		
<b>1 Equity</b>		
(a) Equity share capital	541.18	541.18
(b) Other equity	(880.99)	(492.60)
<b>Total equity</b>	<b>(339.81)</b>	<b>48.38</b>
<b>Liabilities</b>		
<b>2 Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	1,677.99	1,557.25
(ii) Other financial liabilities	-	-
(b) Provisions	213.10	164.40
(c) Deferred tax liabilities (net)	198.23	210.22
(d) Other non-current liabilities	-	-
<b>Total non-current liabilities</b>	<b>2,089.32</b>	<b>1,931.86</b>
<b>3 Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	1,734.39	1,712.69
(ii) Trade payables		
(A) total outstanding dues of micro enterprises and small	32.20	14.48
(B) total outstanding dues of creditors other than micro enterprises and small	737.49	737.85
(iii) Other financial liabilities	131.30	140.90
(b) Provisions	-	48.69
(c) Other current liabilities	26.42	69.09
<b>Total current liabilities</b>	<b>2,661.80</b>	<b>2,723.70</b>
<b>Total liabilities</b>	<b>4,751.12</b>	<b>4,655.57</b>
<b>Total equity and liabilities</b>	<b>4,411.31</b>	<b>4,703.94</b>





# **EASTERN TREADS LIMITED**

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## **Statement of Unaudited standalone cash flows for the Period ended 30 September 2022**

Particulars (Refer notes below)	₹ in lakhs		
	Half Year ended		Year ended
	30-Sep-22	30-Sep-21	31-Mar-22
	Unaudited	Unaudited	Audited
<b>A Cash flow from operating activities</b>			
Net loss before tax	(400.16)	(361.38)	(989.31)
Adjustments for:			
Depreciation and amortisation expense	83.51	96.07	183.23
Finance costs	-	162.94	320.48
Asset - Written Off	0.44	-	-
Bad debts written off	-	7.47	318.96
Provision for doubtful debts	-	-	2.46
Provision for inventory	5.99	2.21	2.11
Loss / (profit) on sale of property, plant and equipment	9.08	10.86	28.10
Provision on employee benefits	(0.87)	(11.91)	(26.16)
Interest income	-	-	2.59
Provision for impairment	-	-	-
Operating profit before working capital changes	(302.03)	(93.74)	(157.55)
Adjustments for working capital changes			
Decrease in inventories	(298.71)	103.67	290.76
Decrease / (increase) in trade receivables	426.30	(103.05)	247.56
Decrease/(Increase) in other receivables	67.84	(44.46)	(64.55)
(increase)/Decrease in trade and other payables	(43.96)	210.14	(172.29)
	(150.56)	72.56	143.92
<b>Cash generated from operations</b>			
Direct taxes paid	(1.06)	(2.07)	(4.37)
<b>Net cash generated from operating activities (A)</b>	<b>(151.64)</b>	<b>70.49</b>	<b>139.55</b>
<b>B Cash flow from investing activities</b>			
Payments for purchase of property, plant and equipment (including capital advances)	(8.59)	(8.76)	(27.71)
Proceeds from sale of property plant and equipment	16.03	9.85	20.16
(Increase)/Decrease in other bank balances	(20.86)	31.16	12.85
Repayment of loan by / (loan given to) erstwhile subsidiary	-	(22.35)	230.12
Interest received	0.87	11.91	26.16
<b>Net cash generated from / (used in) investing activities (B)</b>	<b>(12.55)</b>	<b>21.81</b>	<b>261.58</b>
<b>C Cash flow from financing activities</b>			
Proceeds from long term borrowings	120.74	500.00	1,001.00
Repayment of long term borrowings	-	(59.99)	(170.15)
Repayment of short term borrowings	21.70	(295.95)	(926.43)
Interest paid	-	(160.00)	(269.36)
<b>Net cash used in financing activities (C)</b>	<b>142.44</b>	<b>(15.94)</b>	<b>(364.94)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(21.78)</b>	<b>76.36</b>	<b>36.20</b>
Cash and cash equivalents at the beginning of the year	80.43	44.23	44.23
<b>Cash and cash equivalents at the end of the year</b>	<b>58.65</b>	<b>120.59</b>	<b>80.43</b>
<b>Components of cash and cash equivalents</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>30-Sep-22</b>	<b>30-Sep-21</b>	<b>31-Mar-22</b>
	<b>Unaudited</b>	<b>Unaudited</b>	<b>Audited</b>
a) Cash on hand	1.90	3.25	1.61
b) Balances with bank in current accounts	56.75	117.34	78.82
<b>Cash and cash equivalents</b>	<b>58.65</b>	<b>120.59</b>	<b>80.43</b>





## EASTERN TREADS LIMITED

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### Notes:

- 1 These unaudited financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015, as amended.
- 2 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.
- 3 The Company has reported a net loss of Rs. 203.36 lakhs during the current quarter and has accumulated losses amounting to Rs. 2,183.35 lakhs as on 30 September 2022. The Company's operations were disrupted due to COVID-19 in the previous years, which adversely affected timely collections from customers resulting in overdues. The extent to which such disruptions may further impact the operations and Company's results will depend on ongoing as well as future developments, which are highly uncertain.

The Company has performed an assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets, including overdue receivables from various customers, and impact on revenues and costs. Based on estimates and assumptions used in business forecast and fund flow projections, management expects to recover the carrying amount of the assets and will be able to discharge the liabilities.

The Company has received a letter of support from the chairman and promoter director of the Company, wherein he has confirmed to provide all financial support to the Company to meet the shortfall in its fund requirements for payment of timely dues to banks & other parties and to meet the operating expenses, if required, for a period of not less than 12 months from the date of closure of the quarter. In view of the above letter of support and various performance improvement measures undertaken, the management believes that the Company will be able to meet its operational and other commitments as and when these become due in the foreseeable future. Hence, the Statement has been prepared on a going concern basis.

- 4 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.
- 5 The above results were reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on 9th November 2022 and the same has been subjected to limited review by the statutory auditors.

For EASTERN TREADS LIMITED

M.E Mohamed  
Managing Director  
DIN: 00129005

Place : Kochi  
Date : 9th November 2022

