

Dated, 12 November, 2020
REF: ETL/BSE/BM3/20-21

Scrip Code : 531346

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

Dear Sir,

Sub:- Un - Audited Financial Results as on 30 September 2020

We submit herewith the Unaudited Standalone and Consolidated Financial Statements and Auditors Limited Review Report on financial results for the quarter and period ended 30 September 2020 pursuant to the listing agreement read with Regulation 33 of SEBI (LODR) Regulations, 2015.

The Meeting of the Board of Directors of the Company held today, 12 November 2020 at 3.00 PM at the registered office of the company and approved the financial results.

The meeting concluded at 4.40 PM.

Kindly take the information in your records.

Thanking you,

Yours faithfully,
For Eastern Treads Limited

BAIJU.T
Company Secretary

Eastern Treads Ltd.

CIN : L25119KLI993PLC007213

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

Phone : +91 484 7161 100
E-mail : treads@eastern.in
Web : www.easterntreads.com

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

Phone : +91 485 2855 448



EASTERN TREADS LIMITED

CIN: L25119KL1993PLC007213

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

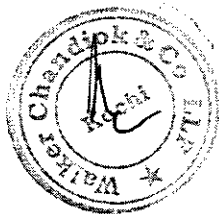
STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2020 (₹ in lakhs, except earnings per share)

Sl. No.	Particulars (Refer notes below)	Quarter ended			Half year ended		Year ended
		30-Sep-20 Unaudited	30-Jun-20 Unaudited	30-Sep-19 Unaudited	30-Sep-20 Unaudited	30-Sep-19 Unaudited	31-Mar-20 Audited
I	Revenue from operations						
II	Other income	1,593.90	1,273.49	2,091.23	2,867.39	4,225.77	7,745.32
III	Total revenue (I+II)	9.17	6.19	5.58	15.36	12.79	32.66
IV	Expenses:	1,603.07	1,279.68	2,096.81	2,882.75	4,238.56	7,777.98
	a. Cost of materials consumed	965.65	682.75	1,439.68	1,648.40	2,833.76	5,243.89
	b. Purchases of stock-in-trade	3.70	1.55	26.06	5.25	40.00	41.81
	c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	64.97	172.98	(91.90)	237.95	(54.38)	(163.66)
	d. Employee benefits expense	206.45	156.59	248.05	363.04	497.34	982.16
	e. Finance costs	101.89	83.57	78.86	185.46	155.26	323.40
	f. Depreciation and amortisation expense	59.16	59.31	62.75	118.47	126.68	247.18
	g. Other expenses	242.91	212.36	341.00	455.27	654.05	1,213.06
	Total expenses	1,644.73	1,369.11	2,104.50	3,013.84	4,252.71	7,887.84
V	Loss before exceptional items and taxes (III-IV)	(41.66)	(89.43)	(7.69)	(131.09)	(14.15)	(109.86)
VI	Exceptional items	-	-	-	-	-	-
VII	Loss before tax (V-VI)	(41.66)	(89.43)	(7.69)	(131.09)	(14.15)	(109.86)
VIII	Tax expenses:						
	- Current tax	-	-	-	-	-	-
	- Deferred tax (credit)/charge	(3.31)	(7.19)	(7.03)	(10.50)	(8.90)	2.61
IX	Loss for the period/year (VII-VIII)	(38.35)	(82.24)	(0.66)	(120.59)	(5.25)	(112.47)
X	Other comprehensive loss (net of tax expenses)						
	(i) items that will not be reclassified to profit/loss	(1.92)	(1.93)	(6.87)	(3.85)	(13.74)	(7.71)
	(ii) income tax relating to items that will not be reclassified to profit/loss	0.49	0.48	1.91	0.97	3.82	1.94
XI	Total comprehensive loss for the period/year (IX+X)	(39.78)	(83.69)	(5.62)	(123.47)	(15.17)	(118.24)
XII	Paid-up equity share capital (face value of ₹ 10 each)	523.20	523.20	523.20	523.20	523.20	523.20
XIII	Other equity						
XIV	Loss per equity share:						140.14
	(a) Basic: (₹)	(0.73)	(1.57)	(0.01)	(2.30)	(0.10)	(2.15)
	(b) Diluted: (₹)	(0.73)	(1.57)	(0.01)	(2.30)	(0.10)	(2.15)

not annualised



STANDALONE BALANCE SHEET			
Particulars (Refer notes below)	₹ in lakhs)		
	As at 30-Sep-20	As at 31-Mar-20	
	Unaudited	Audited	
A ASSETS			
1 Non Current Assets			
(a) Property, plant and equipment			
(b) Capital work in progress	1,306.81	1,426.02	
(c) Intangible assets	16.04	16.04	
(d) Financial assets	5.47	7.37	
(i) Investments			
(ii) Trade receivables	2.59	2.59	
(iii) Other financial assets	0.34	0.29	
(e) Other non current assets	49.43	53.02	
Total - non current assets	5.08	33.91	
2 Current Assets	1,385.76	1,539.24	
(a) Inventories			
(b) Financial assets	813.10	1,050.25	
(i) Trade receivables			
(ii) Cash and cash equivalents	2,498.28	2,574.23	
(iii) Other bank balances	51.61	19.10	
(iv) Loans	66.33	59.60	
(v) Other financial assets	165.03	149.41	
(c) Current tax asset (net)	6.31	7.14	
(d) Other current assets	30.80	30.08	
Total - current assets	10.42	18.32	
TOTAL ASSETS	3,641.88	3,908.13	
	5,027.64	5,447.37	
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital			
(b) Other equity	541.18	541.18	
Total equity	16.67	140.14	
2 Liabilities	557.85	681.32	
Non Current Liabilities			
(a) Financial liabilities			
(i) Borrowings			
(ii) Other financial liabilities	1,274.96	819.90	
(b) Provisions	7.00	6.68	
(c) Deferred tax liabilities (net)	114.72	108.37	
(d) Other non-current liabilities	120.60	132.07	
Total - non current liabilities	0.27	1.51	
Current Liabilities	1,517.55	1,068.53	
(a) Financial liabilities			
(i) Borrowings			
(ii) Trade payables*	1,673.09	2,418.55	
(A) total outstanding dues of micro enterprises and small enterprises			
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	0.25	0.31	
(iii) Other financial liabilities	732.87	892.12	
(b) Provisions	463.53	301.39	
(c) Other current liabilities	27.18	27.18	
Total - current liabilities	55.32	57.97	
Total liabilities	2,952.24	3,697.52	
TOTAL EQUITY AND LIABILITIES	4,469.79	4,766.05	
	5,027.64	5,447.37	



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STATEMENT OF STANDALONE CASH FLOWS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020			
Particulars	₹ in lakhs		
	Half year ended 30-Sep-20	Half year ended 30-Sep-19	Year ended 31-Mar-20
	Unaudited	Unaudited	Audited
A Cash flow from operating activities			
Net Loss before tax			
Adjustments for:	(131.09)	(14.15)	(109.86)
Depreciation and amortisation expense			
Finance costs	118.47	126.68	247.18
Bad debts written off	185.46	155.26	323.40
Provision for doubtful debts	4.21	-	0.03
Loss/(Profit) on sale of property, plant and equipment	6.31	1.44	-
Provision on employee benefits	-	0.54	(2.92)
Interest income	2.50	(8.05)	19.28
Operating profit before working capital changes	(8.51)	(4.57)	(14.73)
Adjustments for working capital changes:	177.35	257.15	462.38
Decrease/(Increase) in inventories			
Decrease in trade receivables	237.15	(117.29)	(189.36)
Decrease in other receivables	65.38	89.36	80.62
Decrease in trade and other payables	40.38	14.04	52.65
	(138.05)	(188.64)	(536.47)
Cash generated from/ (used in) operations			
Net income tax paid	382.21	54.62	(130.18)
Net cash generated from/(used in) operating activities (A)	(0.72)	(0.70)	(2.01)
	381.49	53.92	(132.19)
B Cash flow from investing activities			
Payments for purchase of property, plant and equipment			
Proceeds from sale of property, plant and equipment	(2.22)	(22.68)	(24.66)
Movement in other bank balances	5.29	2.45	35.86
Payments for purchase of intangibles	(6.73)	(11.45)	(38.06)
Loan given to subsidiary	-	(0.13)	-
Interest received	(18.01)	(64.64)	(119.41)
Net cash used in investing activities (B)	8.56	3.78	14.84
	(13.11)	(92.67)	(131.43)
C Cash flow from financing activities			
Long-term borrowings (net of repayments)			
Short-term borrowings (net of repayments)	595.05	(50.46)	(15.97)
Interest paid	(745.46)	252.11	471.52
Dividend paid including dividend distribution tax	(185.46)	(127.11)	(268.12)
Net cash (used in)/generated from financing activities (C)	-	-	(0.06)
	(335.87)	74.54	187.37
Net increase/ (decrease) in cash and cash equivalents (A+B+C)			
Cash and cash equivalents at the beginning of the period/year	32.51	35.79	(76.25)
Cash and cash equivalents at the end of the period/year	19.10	95.35	95.35
	51.61	131.14	19.10

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 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.
- During the month of March 2020, World Health Organisation declared COVID -19 to be a global pandemic. The spread of COVID-19 has impacted the normal operations of businesses in many countries, including India. The country has witnessed several disruptions in normal operations due to lock downs imposed by the Government in the form of restrictions to movement of people, transportation and supply chain along with other stringent measures to contain COVID-19 spread. The operations of the Company were disrupted till 24 April 2020, due to shutdown of its factory, branches and corporate office following nationwide lockdown by the Government of India due to COVID 19. Due to relaxation of lockdown restrictions in the current quarter, production and sales have improved compared to previous quarter. However due to lockdown /transport restrictions in the previous quarters, the production and sales were impacted significantly which resulted in reduced utilization of the plant capacity in factories. In the opinion of management, operations will improve in the upcoming quarters due to the increased economic activity in the country. The management has considered the possible effects of the pandemic on the carrying values of assets, financing arrangements and the business forecasts. In developing the assumptions relating to the possible impacts of this pandemic, the management has used internal and external information upto the date of approval of these standalone financial results. Based on various assumptions used in fund flow management and current estimate based on business forecast, management expects to recover the carrying amount of the assets and will be able discharge the liabilities. The impact of the pandemic on the Company's standalone financial results may differ from that estimated as at the date of approval of these standalone financial results and the management will continue to closely monitor any material changes.
- 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 and approved by the Board of Directors in their respective meetings held on 12 November 2020. The same has been subjected to limited review by the Statutory Auditors of the Company.

Place : Kochi
Date : 12 November 2020



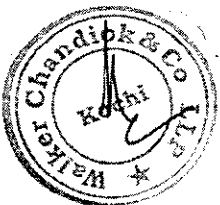
For EASTERN TREADS LIMITED

M.E.Mohamed
Managing Director
DIN: 00129005

Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date 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 September 2020 and the year to date results for the period 01 April 2020 to 30 September 2020, 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'), 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 the 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. 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.
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, 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.



Walker Chandiook & Co LLP

5. We draw attention to Note 03 of the accompanying Statement which describes the uncertainties due to the outbreak of Covid-19 pandemic and the management's evaluation of its impact on the Company's operations and accompanying standalone financial results of the Company as at the reporting date, the extent of which is significantly dependent on future developments. Our conclusion is not modified in respect of this matter.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

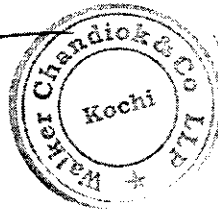


Krishnakumar Ananthasivan

Partner

Membership No. 206229

UDIN: 20206229AAAAFB9867



Place: Kochi

Date: 12 November 2020



EASTERN TREADS LIMITED
CIN: L25119KL1993PLC007213

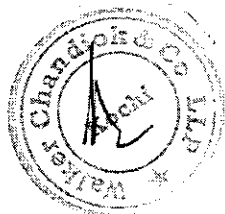
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STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2020 (₹ in lakhs, except earnings per share)							
Sl. No.	Particulars (Refer notes below)	Quarter ended			Half year ended		Year ended
		30-Sep-20	30-Jun-20	30-Sep-19	30-Sep-20	30-Sep-19	31-Mar-20
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	1,781.20	1,406.65	2,097.96	3,187.85	4,236.41	7,831.81
II	Other income	5.69	2.84	3.98	8.53	10.03	23.85
III	Total revenue (I+II)	1,786.89	1,409.49	2,101.94	3,196.38	4,246.44	7,855.66
IV	Expenses:						
	a. Cost of materials consumed	965.65	682.75	1,439.68	1,648.40	2,833.76	5,243.89
	b. Purchases of stock-in-trade	3.70	1.55	26.06	5.25	40.00	41.81
	c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	64.97	172.98	(91.90)	237.95	(54.38)	(163.66)
	d. Employee benefits expense	210.98	160.89	252.53	371.87	505.57	999.84
	e. Finance costs	104.97	84.02	79.61	188.99	156.46	325.24
	f. Depreciation and amortisation expense	59.52	59.67	63.45	119.19	128.06	249.96
	g. Other expenses	422.14	336.88	351.56	759.02	672.35	1,308.96
	Total expenses	1,831.93	1,498.74	2,120.89	3,330.67	4,281.82	8,006.04
V	Loss before exceptional items and taxes (III-IV)	(45.04)	(89.25)	(19.05)	(134.29)	(35.38)	(150.38)
VI	Exceptional items	-	-	-	-	-	-
VII	Loss before tax (V-VI)	(45.04)	(89.25)	(19.05)	(134.29)	(35.38)	(150.38)
VIII	Tax expenses:						
	- Current tax	-	-	-	-	-	-
	- Deferred tax (credit)/ charge	(3.30)	(7.17)	(7.06)	(10.47)	(8.99)	2.27
IX	Loss for the period/year (VII-VIII)	(41.74)	(82.08)	(11.99)	(123.82)	(26.39)	(152.65)
X	Other comprehensive loss (net of tax expenses)						
	(i) items that will not be reclassified to profit/ loss	(1.92)	(1.93)	(6.87)	-	(13.74)	(7.71)
	(ii) income tax relating to items that will not be reclassified to profit/ loss	0.49	0.48	1.91	0.97	3.82	1.94
XI	Total comprehensive loss for the period (IX+X)	(43.17)	(83.53)	(16.95)	(126.70)	(36.31)	(158.42)
	Net loss attributable to:						
	Owners of the Holding Company	(40.21)	(82.16)	(6.89)	(122.37)	(16.87)	(134.58)
	Non-controlling interest	(1.53)	0.08	(5.10)	(1.45)	(9.52)	(18.07)
	Other comprehensive loss attributable to:						
	Owners of the Holding Company	(1.43)	(1.45)	(4.96)	(2.88)	(9.92)	(5.77)
	Non-controlling interest	-	-	-	-	-	-
	Total comprehensive loss attributable to:						
	Owners of the Holding Company	(41.64)	(83.61)	(11.85)	(125.25)	(26.79)	(140.35)
	Non-controlling interest	(1.53)	0.08	(5.10)	(1.45)	(9.52)	(18.07)
XII	Paid-up equity share capital (face value of ₹ 10 each)	523.20	523.20	523.20	523.20	523.20	523.20
XIII	Other equity						112.12
XIV	Loss per equity share:						
	(a) Basic: (₹)	(0.77)	(1.57)	(0.13)	(2.34)	(0.32)	(2.57)
	(b) Diluted: (₹)	(0.77)	(1.57)	(0.13)	(2.34)	(0.32)	(2.57)

not annualised



CONSOLIDATED BALANCE SHEET		
Particulars (Refer notes below)	₹ in lakhs)	
	As at 30-Sep-20	As at 31-Mar-20
	Unaudited	Audited
A ASSETS		
1 Non Current Assets		
(a) Property, plant and equipment	1,307.88	1,427.36
(b) Capital work in progress	16.04	16.04
(c) Goodwill	16.02	16.02
(d) Intangible assets	6.32	8.65
(e) Intangible assets under development	118.73	96.11
(f) Financial assets		
(i) Trade receivables	0.34	0.29
(ii) Other financial assets	49.43	53.02
(g) Deferred tax assets	0.31	0.34
(h) Other non current assets	5.08	33.91
Total - non current assets	1,520.15	1,651.74
2 Current Assets		
(a) Inventories	813.10	1,050.26
(b) Financial assets		
(i) Trade receivables	2,614.93	2,598.32
(ii) Cash and cash equivalents	63.15	20.76
(iii) Other bank balances	66.33	59.60
(iv) Loans	0.83	3.22
(v) Other financial assets	6.31	7.14
(c) Current tax asset (net)	30.80	30.08
(d) Other current assets	79.28	36.35
Total - current assets	3,674.73	3,805.73
TOTAL ASSETS	5,194.88	5,457.47
B EQUITY AND LIABILITIES		
1 Equity		
(a) Equity share capital	541.18	541.18
(b) Other equity	(13.13)	112.12
(c) Non-controlling interest	(35.34)	(33.89)
Total-equity	492.71	619.41
2 Liabilities		
Non Current Liabilities		
(a) Financial liabilities		
(i) Borrowings	1,274.96	819.90
(ii) Other financial liabilities	7.00	6.68
(b) Provisions	114.72	108.37
(c) Deferred tax liabilities (net)	120.60	132.07
(d) Other non-current liabilities	0.27	1.51
Total - Non current liabilities	1,517.55	1,068.53
3 Current Liabilities		
(a) Financial liabilities		
(i) Borrowings	1,752.14	2,442.08
(ii) Trade payables		
(A) total outstanding dues of micro enterprises and small enterprises	0.25	0.31
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	850.07	928.55
(iii) Other financial liabilities	477.53	310.47
(b) Provisions	27.18	27.18
(c) Other current liabilities	77.45	60.94
Total - current liabilities	3,184.62	3,769.53
Total liabilities	4,702.17	4,838.06
TOTAL EQUITY AND LIABILITIES	5,194.88	5,457.47



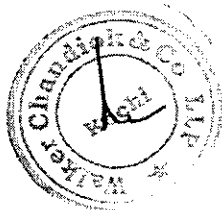
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STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020			
Particulars	₹ in lakhs		
	Half year ended 30-Sep-20	Half year ended 30-Sep-19	Year ended 31-Mar-20
	Unaudited	Unaudited	Audited
A Cash flow from operating activities			
Net Loss before tax	(134.29)	(35.38)	(150.38)
Adjustments for:			
Depreciation and amortisation expense	119.19	128.07	249.96
Finance costs	188.99	156.46	325.24
Bad debts written off	4.21	-	0.03
Provision for doubtful debts	6.31	1.44	-
Loss/(Profit) on sale of property, plant and equipment	-	0.54	(2.92)
Provision on employee benefits	2.50	(8.05)	19.28
Interest income	(1.68)	(4.57)	(5.89)
Operating profit before working capital changes	185.23	238.51	435.32
Adjustments for working capital changes:			
Decrease/(Increase) in inventories	237.15	(117.29)	(189.36)
(Increase)/Decrease in Trade receivables	(27.18)	88.91	56.53
(Increase)/Decrease other receivables	(10.44)	13.07	34.61
Decrease in trade and other payables	(33.21)	(195.76)	(503.07)
Cash generated from/(used in) operations	351.55	27.44	(165.97)
Net income tax paid	(0.72)	(0.70)	(2.01)
Net cash generated from/(used in) operating activities (A)	350.83	26.74	(167.98)
B Cash flow from investing activities			
Payments for purchase of property, plant and equipment	(2.22)	(23.09)	(25.06)
Proceeds from sale of property, plant and equipment	5.29	2.45	35.86
Movement in other bank balances	(6.73)	(11.45)	(38.06)
Payments for purchase of intangibles	(22.62)	(35.71)	(71.16)
Interest received	1.73	3.78	14.84
Net cash used in investing activities (B)	(24.55)	(64.02)	(83.58)
C Cash flow from financing activities			
Long-term borrowings (net of repayments)	595.05	(50.46)	(15.97)
Short-term borrowings (net of repayments)	(689.95)	252.11	471.68
Interest paid	(188.99)	(128.31)	(278.78)
Dividend paid including dividend distribution tax	-	-	(0.06)
Net cash generated from/(used in) financing activities (C)	(283.89)	73.34	176.87
Net increase/(decrease) in cash and cash equivalents (A+B+C)	42.39	36.06	(74.69)
Cash and cash equivalents at the beginning of the period/year	20.76	95.45	95.45
Cash and cash equivalents at the end of the period/year	63.15	131.51	20.76

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 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.
- During the month of March 2020, World Health Organisation declared COVID-19 to be a global pandemic. The spread of COVID-19 has impacted the normal operations of businesses in many countries, including India. The country has witnessed several disruptions in normal operations due to lockdowns imposed by the Government in the form of restrictions to movement of people, transportation and supply chain along with other stringent measures to contain COVID-19 spread. The operations of the Group were disrupted till 24 April 2020, due to shutdown of its factory, branches and corporate office following nationwide lockdown by the Government of India due to COVID-19. Due to relaxation of lockdown restrictions in the current quarter, production and sales have improved compared to previous quarter. However due to lockdown/transport restrictions in the previous quarters, the production and sales were impacted significantly which resulted in reduced utilization of the plant capacity in factories. In the opinion of management, operations will improve in the upcoming quarters due to the increased economic activity in the country. The management has considered the possible effects of the pandemic on the carrying values of assets, financing arrangements and the business forecasts. In developing the assumptions relating to the possible impacts of this pandemic, the management has used internal and external information upto the date of approval of these consolidated financial results. Based on various assumptions used in fund flow management and current estimate based on business forecast, management expects to recover the carrying amount of the assets and will be able to discharge the liabilities. The impact of the pandemic on the Group's consolidated financial results may differ from that estimated as at the date of approval of these consolidated financial results and the management will continue to closely monitor any material changes.
- 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 and approved by the Board of Directors in their respective meetings held on 12 November 2020. The same has been subjected to limited review by the Statutory Auditors of the Holding Company.

Place : Kochi
Date : 12 November 2020



For EASTERN TREADS LIMITED

M.E Mohamed
Managing Director
DIN: 00129005

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date 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 September 2020 and the consolidated year to date results for the period 01 April 2020 to 30 September 2020, 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.
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'), 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 the 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. 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.
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 the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the



Chartered Accountants

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

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Walker Chandiook & Co LLP

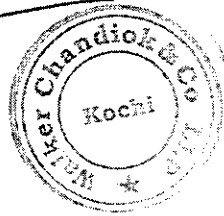
requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. We draw attention to Note 03 of the accompanying Statement which describes the uncertainties due to the outbreak of Covid-19 pandemic and the management's evaluation of its impact on the Group's operations and accompanying consolidated financial results of the Group as at the reporting date, the extent of which is significantly dependent on future developments. Our conclusion is not modified in respect of this matter.
6. We did not review the interim financial results of one subsidiary included in the Statement, whose financial information reflect total assets of ₹ 318.02 lakhs as at 30 September 2020, and total revenues of ₹ 187.30 lakhs and ₹ 320.46 lakhs, total net loss after tax of ₹ 3.39 lakhs and ₹ 3.23 lakhs, total comprehensive loss of ₹ 3.39 lakhs and ₹ 3.23 lakhs, for the quarter and six month period ended on 30 September 2020, respectively, and cash flows (net) of ₹ 9.88 lakhs for the period ended 30 September 2020, as considered in the Statement. These interim financial results have been reviewed by other auditor whose review report has been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiary is based solely on the review report of such other auditor and the procedures performed by us as stated in paragraph 3 above. Our conclusion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

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



Krishnakumar Ananthasivan
Partner
Membership No. 206229
UDIN : 20206229AAAAFA8208



Place: Kochi
Date: 12 November 2020