

Scrip Code : 531346

Dated, 11 February, 2022  
REF: ETL/BSE/UFR/Q3/21-22

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

Dear Sir,

Sub:- Financial Results as on **31 December 2021**

We submit herewith the Unaudited Standalone and Consolidated Financial Statements and Auditors Limited Review Report on financial results for the quarter and period ended **31 December 2021** pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015.

The Meeting of the Board of Directors of the Company held today, 11 February 2022 at 4.30 PM at the registered office of the company and approved the financial results.

The meeting concluded at 7.30 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)

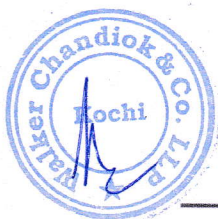
Phone : +91 485 2855 448

Walker Chandiook & Co LLP  
6th Floor, Modayil Centre point,  
Warriam Road Junction,  
MG Road,  
Kochi - 682016  
Kerala, India  
T +91 484 406 4546

**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 31 December 2021 and the year to date results for the period 1 April 2021 to 31 December 2021, 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.



Chartered Accountants

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

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5. We draw attention to Note 4 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 Statement 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 Chandiok & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013

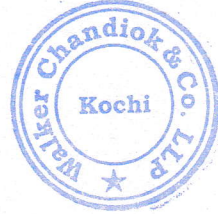


**Krishnakumar Ananthasivan**

Partner

Membership No. 206229

UDIN: 22206229ABLEVW7746



**Place:** Kochi

**Date:** 11 February 2022



# **EASTERN TREADS LIMITED**

CIN: L25119KL1993PLC007213

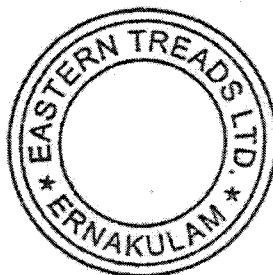
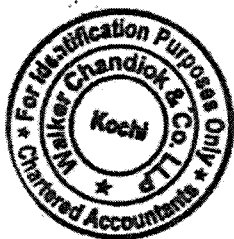
Regd. Off: 3A, 3rd floor, Eastern Corporate Office, 34/137 E, NH Bypass, Edappally, Kochi, Ernakulam - 682 024

(₹ in lakhs, except earnings per equity share)

## **STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2021**

Sl. No.	Particulars (Refer notes below)	Quarter ended			Nine Months ended		Year ended
		31-Dec-21	30-Sep-21	31-Dec-20	31-Dec-21	31-Dec-20	31-Mar-21
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Income						
	(a) Revenue from operations	1,559.73	2,064.43	1,902.81	5,099.32	4,770.20	6,659.57
	(b) Other income	11.05	11.08	18.64	28.45	34.00	49.28
	<b>Total income</b>	<b>1,570.78</b>	<b>2,075.51</b>	<b>1,921.45</b>	<b>5,127.77</b>	<b>4,804.20</b>	<b>6,708.85</b>
II	Expenses						
	(a) Cost of materials consumed	1,056.95	1,323.81	1,233.17	3,577.88	2,881.57	4,252.04
	(b) Purchases of stock-in-trade	1.98	31.87	0.68	60.91	5.93	20.23
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	94.91	196.57	(27.85)	91.54	210.10	96.14
	(d) Employee benefits expense	235.29	248.52	213.04	708.16	576.08	810.32
	(e) Finance costs	84.73	87.43	65.13	247.67	250.59	331.41
	(f) Depreciation and amortisation expense	44.20	46.59	42.57	140.27	161.04	212.22
	(g) Other expenses	280.76	347.57	306.25	890.76	761.52	1,075.92
	<b>Total expenses</b>	<b>1,798.82</b>	<b>2,282.36</b>	<b>1,832.99</b>	<b>5,717.19</b>	<b>4,846.83</b>	<b>6,798.28</b>
III	Profit / (loss) before exceptional items and tax (I-II)	(228.04)	(206.85)	88.46	(589.42)	(42.63)	(89.43)
IV	Exceptional items	-	-	-	-	-	-
V	Profit / (loss) before tax (III+IV)	(228.04)	(206.85)	88.46	(589.42)	(42.63)	(89.43)
VI	Tax expenses:						
	- Current tax	-	-	-	-	-	-
	- Deferred tax credit	(5.12)	(6.95)	(5.40)	(18.06)	(15.90)	(32.02)
VII	Profit / (loss) for the period / year (V-VI)	(222.92)	(199.90)	93.86	(571.36)	(26.73)	(57.41)
VIII	Other comprehensive income / (loss)						
	(a) Items that will not be reclassified to profit or loss	1.86	0.93	(1.93)	2.79	(5.78)	3.72
	(b) Income tax relating to items that will not be reclassified to profit or loss	(0.46)	(0.24)	0.48	(0.70)	1.45	(0.94)
IX	Total comprehensive income / (loss) for the period / year (VII+VIII)	(221.52)	(199.21)	92.41	(569.27)	(31.06)	(54.63)
X	Paid-up equity share capital (face value of ₹ 10 each)	523.20	523.20	523.20	523.20	523.20	523.20
XI	Other equity						85.50
XII	Earnings / (loss) per equity share:						
	(a) Basic: (₹)	(4.26)	(3.82)	1.79	(10.92)	(0.51)	(1.10)
	(b) Diluted: (₹)	(4.26)	(3.82)	1.79	(10.92)	(0.51)	(1.10)

not annualised



For EASTERN TREADS LTD

M. E. M. & Co. L.L.M.  
Chartered Accountants



**EASTERN TREADS LIMITED**

CIN: L25119KL1993PLC007213

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

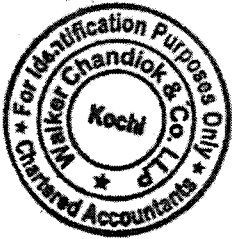
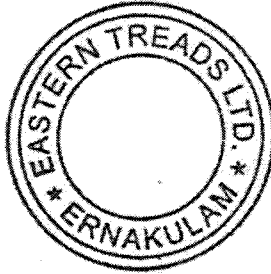
**Notes:**

- 1 These unaudited standalone 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.
- 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 An offer of rights issue was made to the Company by Shipnext Solutions Private Limited ("Subsidiary") on 4 September 2021 which was renounced by the Company in its board of directors meeting held on 13 September 2021. Subsequently, the capital base of the Subsidiary was increased by way of private placement of equity shares to other investors on 30 November 2021. Consequently, the shareholding of the Company has reduced to 14.53% resulting in loss of control in Subsidiary and Shipnext Solutions Private Limited has become an associate as per Ind AS 28 "Investments in Associates and Joint Ventures".
- 4 The spread of COVID-19 has impacted the normal operations of the company during the period. The country has witnessed several disruptions in normal operations due to lock downs / various restrictions imposed by the Central Government and various State Governments. The operations of the Company were disrupted significantly during the first quarter. Though the lock down and transport movement restrictions were progressively relaxed subsequently, disruptions in operations of entities in road transport and automobile sector continued, which adversely affected timely collections from customers during the period. The extent to which the COVID-19 pandemic 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 taken into account the possible impacts of COVID-19 while preparing the financial results. 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 state road transport corporations, and impact on revenues and costs. Based on various 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.
- 5 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.
- 6 The above standalone results were reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on 11 February 2022 and the same has been subjected to limited review by the statutory auditors.

Place : Kochi  
Date : 11 February 2022

For EASTERN TREADS LTD  
For EASTERN TREADS LIMITED

M. E. MOHAMED  
Managing Director  
DIN: 00129005





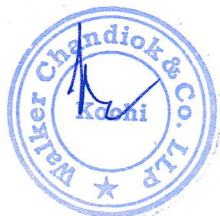
**Walker Chandiook & Co LLP**  
6th Floor, Modayil Centre point,  
Warriam Road Junction,  
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Kochi - 682016  
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T +91 484 406 4546

**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 associate Shipnext Solutions Private Limited, for the quarter ended 31 December 2021 and the consolidated year to date results for the period 1 April 2021 to 31 December 2021, 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.



Chartered Accountants

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

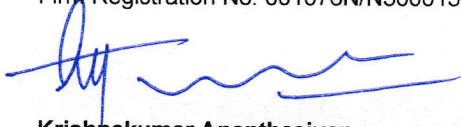
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4. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 5 below, nothing has come to our attention that causes us to believe 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.
5. The Statement includes the Holding Company's share of net loss after tax of ₹ 2.59 lakhs and ₹ 2.59 lakhs and total comprehensive loss of ₹ 2.59 lakhs and ₹ 2.59 lakhs, for the quarter and nine months period ended on 31 December 2021, respectively, as considered in the Statement, in respect of one associate, whose interim financial results have not been reviewed by us. These interim financial results have been reviewed by other auditors 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 this associate is based solely on the review report of such other auditors and the procedures performed by us as stated in paragraph 3 above.
6. We draw attention to Note 3 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 Holding Company's operations and accompanying Statement of the Holding 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 Chandiok & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013



**Krishnakumar Ananthasivan**

Partner

Membership No. 206229

UDIN: 22206229ABLHAT6761



**Place:** Kochi

**Date:** 11 February 2022



# **EASTERN TREADS LIMITED**

CIN: L25119KL1993PLC007213

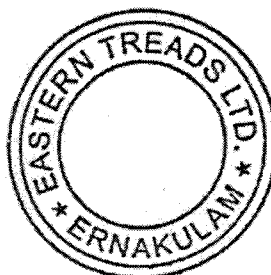
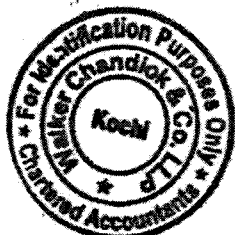
Regd. Off: 3A, 3rd floor, Eastern Corporate Office, 34/137 E, NH Bypass, Edappally, Kochi, Ernakulam - 682 024

(₹ in lakhs, except earnings per equity share)

## **STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2021**

Sl. No.	Particulars (Refer notes below)	Quarter ended			Nine Months ended		Year ended
		31-Dec-21	30-Sep-21	31-Dec-20	31-Dec-21	31-Dec-20	31-Mar-21
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Income						
	(a) Revenue from operations	1,559.73	2,064.43	1,902.81	5,099.32	4,770.20	6,659.57
	(b) Other Income	11.05	11.08	18.64	28.45	34.00	49.28
	<b>Total Income</b>	<b>1,570.78</b>	<b>2,075.51</b>	<b>1,921.45</b>	<b>5,127.77</b>	<b>4,804.20</b>	<b>6,708.85</b>
II	Expenses						
	(a) Cost of materials consumed	1,056.95	1,323.81	1,233.17	3,577.88	2,881.57	4,252.04
	(b) Purchases of stock-in-trade	1.98	31.87	0.68	60.91	5.93	20.23
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	94.91	196.57	(27.85)	91.54	210.10	96.14
	(d) Employee benefits expense	235.29	248.52	213.04	708.16	576.08	810.32
	(e) Finance costs	84.73	87.43	65.13	247.67	250.59	331.41
	(f) Depreciation and amortisation expense	44.20	46.59	42.57	140.27	161.04	212.22
	(g) Other expenses	280.76	347.57	306.25	890.76	761.52	1,075.92
	<b>Total expenses</b>	<b>1,798.82</b>	<b>2,282.36</b>	<b>1,832.99</b>	<b>5,717.19</b>	<b>4,846.83</b>	<b>6,798.28</b>
III	Profit / (loss) before share of loss of associates, exceptional items and tax (I-II)	(228.04)	(206.85)	88.46	(589.42)	(42.63)	(89.43)
IV	Share of loss of associate, net of tax (refer note 2)	(2.59)	-	-	(2.59)	-	-
V	Profit / (loss) before exceptional items and tax (III+IV)	(230.63)	(206.85)	88.46	(592.01)	(42.63)	(89.43)
VI	Exceptional items	-	-	-	-	-	-
VII	Profit / (loss) before tax (V+VI)	(230.63)	(206.85)	88.46	(592.01)	(42.63)	(89.43)
VIII	Tax expenses:						
	- Current tax	-	-	-	-	-	-
	- Deferred tax credit	(5.12)	(6.95)	(5.40)	(18.06)	(15.90)	(32.02)
IX	Profit / (loss) for the period / year from continuing operations (VII-VIII)	(225.51)	(199.90)	93.86	(573.95)	(26.73)	(57.41)
X	Discontinued operations (refer note 2)						
	Profit / (loss) from discontinued operations before tax	68.23	(25.61)	(14.39)	12.41	(17.59)	(40.84)
	Tax expenses / (credit) of discontinued operations	(0.04)	0.02	0.01	(0.01)	0.04	(0.01)
	<b>Profit / (loss) for the period / year (IX+X)</b>	<b>(157.24)</b>	<b>(225.53)</b>	<b>79.46</b>	<b>(561.53)</b>	<b>(44.36)</b>	<b>(98.24)</b>
XI	Other comprehensive income / (loss)						
	(a) Items that will not be reclassified to profit or loss	1.86	0.93	(1.93)	2.79	(5.78)	3.72
	(b) Income tax relating to items that will not be reclassified to profit or loss	(0.46)	(0.24)	0.48	(0.70)	1.45	(0.94)
XII	<b>Total comprehensive income / (loss) for the period / year (X+XI)</b>	<b>(155.84)</b>	<b>(224.84)</b>	<b>78.01</b>	<b>(559.44)</b>	<b>(48.69)</b>	<b>(95.46)</b>
	<b>Net Profit / (loss) attributable to:</b>						
	Owners of the Holding Company	(144.29)	(213.99)	85.94	(523.48)	(36.43)	(79.88)
	Non-controlling interest	(12.95)	(11.54)	(6.48)	(38.05)	(7.93)	(18.36)
	<b>Other comprehensive income / (loss) attributable to:</b>						
	Owners of the Holding Company	1.40	0.69	(1.45)	2.09	(4.33)	2.78
	Non-controlling interest	-	-	-	-	-	-
	<b>Total comprehensive Profit / (loss) attributable to:</b>						
	Owners of the Holding Company	(142.89)	(213.30)	84.49	(521.39)	(40.76)	(77.10)
	Non-controlling interest	(12.95)	(11.54)	(6.48)	(38.05)	(7.93)	(18.36)
XIII	Paid-up equity share capital (face value of ₹ 10 each)	523.20	523.20	523.20	523.20	523.20	523.20
XIV	Other equity						35.03
XV	Earnings / (loss) per equity share:						
	(a) Basic: (₹)	(2.76)	(4.09)	1.64	(10.01)	(0.70)	(1.53)
	(b) Diluted: (₹)	(2.76)	(4.09)	1.64	(10.01)	(0.70)	(1.53)

not annualised



For EASTERN TREADS LTC

M. E. MOHAMED  
Managing Director





# **EASTERN TREADS LIMITED**

CIN: L25119KL1993PLC007213

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

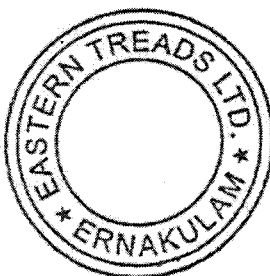
## **UNAUDITED CONSOLIDATED SEGMENT WISE REVENUE AND RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2021**

The business performance was reviewed by the Chief Operating Decision Maker (CODM) at an overall level till 31 March 2021. However, with effect from 1 April 2021, the performance is evaluated by the CODM and resources are allocated based on an analysis of various performance indicators by business segments, in accordance with the "management approach" as defined in Ind AS 108 "Operating Segments". The erstwhile subsidiary company, Shipnext Solutions Private Limited, is engaged in the business of providing online freight aggregator service (logistics). Accordingly, information has been presented along these business segments viz., 'manufacture and trading of tyre retreading materials' and 'online freight aggregator service'.

Financial information on our consolidated reportable operating segments for the quarter and nine months ended 31 December 2021 is set out as below:

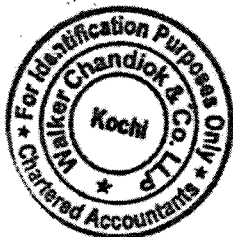
Sl. No.	Particulars (Refer notes below)	Quarter ended			Nine Months ended		Year ended
		31-Dec-21	30-Sep-21	31-Dec-20	31-Dec-21	31-Dec-20	31-Mar-21
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Segment revenue						
	(a) Manufacture and trading of tyre retreading materials	1,559.73	2,064.43	1,902.81	5,099.32	4,770.20	6,659.57
	(b) Online freight aggregator service (refer note 2)	121.07	192.41	185.62	541.81	506.08	782.84
	Total	1,680.80	2,256.84	2,088.43	5,641.13	5,276.28	7,442.41
	Less: reconciling items						
	Less: Inter-segment revenue	-	-	-	-	-	1.82
	Revenue from operations	1,680.80	2,256.84	2,088.43	5,641.13	5,276.28	7,440.59
II	Segment results						
	(a) Manufacture and trading of tyre retreading materials	(152.52)	(124.73)	149.63	(361.38)	197.17	226.37
	(b) Online freight aggregator service (refer note 2)	(19.98)	(18.73)	(8.40)	(61.49)	(1.24)	(21.01)
	Total	(172.50)	(143.46)	141.23	(422.87)	195.93	205.36
	Less: Finance cost	84.27	89.00	67.16	251.10	256.15	335.63
	Add: Gain on loss of control (refer note 2)	96.96	-	-	96.96	-	-
	Less: Share of loss of associate (refer note 2)	2.59	-	-	2.59	-	-
	Less: Tax expense / (credit)	(5.16)	(6.93)	(5.39)	(18.07)	(15.86)	(32.03)
	Loss after tax	(157.24)	(225.53)	79.46	(561.53)	(44.36)	(98.24)

Since the information about segment assets and segment liabilities are not reviewed by the CODM, such information has not been presented as a part of its segment disclosure, which is in accordance with the requirements of Ind AS 108.



For EASTERN TREADS LTD.

M. E. MOHAMMED  
Manager



**EASTERN TREADS LIMITED**

CIN: L25119KL1993PLC007213

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

**Notes:**

- 1 These unaudited consolidated financial results of Eastern Treads Limited (the Holding Company) and Shipnext Solutions Private Limited, its associate (erstwhile subsidiary), 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.
- 2 An offer of rights issue was made to the Holding Company by Shipnext Solutions Private Limited ("Subsidiary") on 4 September 2021 which was renounced by the Holding Company in its board of directors meeting held on 13 September 2021. Subsequently, the capital base of the Subsidiary was increased by way of private placement of equity shares to other investors on 30 November 2021. Consequently, the shareholding of the Holding Company has reduced to 14.53% resulting in loss of control in Subsidiary and Shipnext Solutions Private Limited has become an associate as per Ind AS 28 "Investments in Associates and Joint Ventures" with effect from 1 December 2021. Gain on loss of control in Subsidiary amounting to Rs. 96.96 lakhs is recognised as per Ind AS 110 "Consolidated Financial Statements". The gain on such loss of control net of loss of Subsidiary upto 30 November 2021 amounting to Rs. 68.23 lakhs for the current quarter and Rs.12.41 lakhs for the period ended 31 December 2021 has been presented under discontinued operations in the consolidated unaudited financial results.

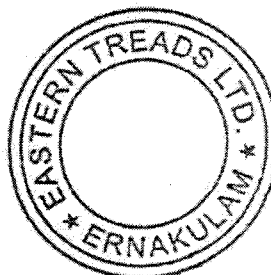
The breakup of results of discontinued operations included in the consolidated unaudited financial results are as follows:

Particulars	Quarter ended			Nine Months ended		Year ended
	31-Dec-21	30-Sep-21	31-Dec-20	31-Dec-21	31-Dec-20	31-Mar-21
Revenue	121.07	192.69	185.62	542.09	506.08	782.84
Expenses	149.80	218.30	200.01	626.64	523.67	823.68
Gain on loss of control	96.96	-	-	96.96	-	-
Profit before tax	68.23	(25.61)	(14.39)	12.41	(17.59)	(40.84)
Tax expenses / (credit)	(0.04)	0.02	0.01	(0.01)	0.04	(0.01)
Profit after tax	68.27	(25.63)	(14.40)	12.42	(17.63)	(40.83)

- 3 The spread of COVID-19 has impacted the normal operations of the Holding Company during the year. The country has witnessed several disruptions in normal operations due to lock downs / various restrictions imposed by the Central Government and various State Governments. The operations of the Holding Company were disrupted significantly during the first quarter. Though the lock down and transport movement restrictions were progressively relaxed subsequently, disruptions in operations of entities in road transport and automobile sector continued, which adversely affected timely collections from customers during the period. The extent to which the COVID-19 pandemic may further impact the operations and Holding Company's results will depend on ongoing as well as future developments, which are highly uncertain. The Holding Company has taken into account the possible impacts of COVID-19 while preparing the financial results. The Holding Company has performed an assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenues and costs. Based on various 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.
- 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 consolidated results were reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on 11 February 2022 and the same has been subjected to limited review by the statutory auditors of the Holding Company.

Place : Kochi

Date : 11 February 2022



For EASTERN TREADS LTD

M.E Mohamed

Managing Director  
DIN: 00129005