

Date: 07.09.2026
Ref: ETL/BSE/INT/031/26-27

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

Scrip Code : 531346 Scrip ID: EASTRED

Sub: Notice of 33rd Annual General Meeting and Annual Report for the Financial Year 2025-2026.

Sir/Madam,

The 33rd AGM of the Company is scheduled to be held on **Tuesday, September 29, 2026 at 11:00 A.M. (IST)** through Video Conference (VC) / Other Audio Visual Means (OAVM).

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we herewith submit the copy of Annual Report for the Financial Year 2025-2026 including the Notice of the 33rd Annual General Meeting of the company, which is being sent through electronic mode to the members of the company.

A letter providing the web-link where the Notice of AGM and Annual Report 2025-26 are available, shall also be sent to those members who have not registered their e-mail address.

In accordance with the relevant circulars issued by MCA and SEBI, the Notice of the AGM and the Annual Report of the Company for the Financial Year 2025-26 is being sent through electronic mode to all those members of the Company whose email addresses are registered with the Company and/or Depository Participant(s) and physical intimations to those members whose email address is not registered with the Company or Depository Participant or Registrar & Share Transfer Agents of the Company. The Notice of the AGM along with Annual Report is available in the Company's website at <https://easterntreads.com/investor-zone/annual-reports?year=2025-2026> and in the website of Central Depository Services (India) Limited at www.evotingindia.com.

Thanking You
For **EASTERN TREADS LIMITED**



Abil Anil
Company Secretary & Compliance Officer

Encl: Annual Report 2025-2026

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 7161234

E-mail : treads@easterntreads.com

Web : www.easterntreads.com

Phone : +91 485 2855 448



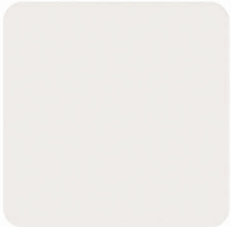
ANNUAL REPORT

2025-26

ENGINEERED FOR THE
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TREADS
YOU CAN TRUST



EASTERN TREADS LIMITED

CIN: L25119KL1993PLC007213

COMPANY INFORMATION

BOARD OF DIRECTORS

DIRECTOR	DESIGNATION
 Mr. Navas Meeran	Chairman & Managing Director
 Mr. Devarajan Krishnan	Whole Time Director
 Mrs. Shereen Navas	Director
 Mr. Naiju Joseph	Director
 Mr. Natarajan Jeyaseelan	Independent Director
 Mrs. Rani Joseph	Independent Director
 Mr. Siby Varghese	Independent Director
 Mr. Karandeep Singh	Independent Director



CHIEF FINANCIAL OFFICER
Mr. Devarajan Krishnan



COMPANY SECRETARY & COMPLIANCE OFFICER
Mr. Abil Anil

 REGISTERED & CORPORATE OFFICE 3A, 3rd Floor, Eastern Corporate Office, 34/137 E, NH Bypass, Edappally, Kochi, Ernakulam 682024, Kerala	 INVESTOR CORRESPONDENCE The Company Secretary, Eastern Treads Limited 3A, 3rd Floor, Eastern Corporate Office, NH Bypass, Edappally, Kochi, Ernakulam -682024, Kerala
 WEBSITE & E MAIL www.easterntreads.com, info@easterntreads.com	 BANKERS Union Bank of India ICICI Bank Limited State Bank of India Kotak Mahindra Bank Limited Dhanlaxmi Bank Limited
 FACTORY Oonnukal, Kothamangalam, Ernakulam, Kerala	 STATUTORY AUDITOR G Joseph & Associates, Chartered Accountants, 37/2038, First Floor, Muttathil Lane, Kadavanthra, Cochin – 682020, Kerala
 INTERNAL AUDITOR R G N Price and Co. G-234, Price Chambers, K.C.Joseph Road, Cross Road No. 8,Panampilly Nagar, Kochi – 682036	 SECRETARIAL AUDITOR BVR & Associates Company Secretaries LLP,Swastika, First Floor, Chitteth House, PC Road, Vyttila P.O., Cochin - 682019
 REGISTRAR & SHARE TRANSFER AGENT Integrated Registry Management Services Private Limited, 2 nd Floor, 'Kences Towers' No.1, Ramakrishna Street, North Usman Road, T. Nagar, Chennai – 600017	

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From Chairman's Desk

Dear Shareholders,

Every financial year tells a story - not merely through numbers, but through the resilience, discipline, and collective determination that shape an organization's journey. The financial year 2025-26 stands as a testament to Eastern Treads Limited's ability to transform challenges into opportunities and deliver sustainable value to all its stakeholders.

The global business environment continued to experience economic uncertainty, volatile raw material prices, and evolving market dynamics. Despite these challenges, the Indian tyre retreading industry demonstrated remarkable resilience, supported by sustained growth in commercial transportation, infrastructure development, and increasing awareness of cost-effective and environmentally sustainable tyre solutions. These trends reinforced the long-term growth potential of the retreading sector and created new opportunities for quality-driven manufacturers.

Against this backdrop by the geo-political issues, we delivered a commendable financial performance and returned to profitability during the year. This achievement reflects our disciplined approach to operations, prudent financial management, customer-centric philosophy, and unwavering commitment to manufacturing excellence. Our improved performance is the result of consistent efforts across the organization to enhance productivity, optimize costs, and strengthen market relationships across both domestic and export markets.

We remain committed to creating sustainable long-term value for shareholders by focusing on operational efficiency, product innovation, responsible corporate governance, and disciplined capital allocation. As industries increasingly prioritize sustainability and resource efficiency, the tyre retreading sector is expected to play an even more significant role in extending tyre life, reducing waste, and supporting the circular economy. I believe our company is well positioned to capitalize on these opportunities while maintaining its commitment to quality and customer satisfaction.

Looking ahead, we remain optimistic about the future. Our strategic priorities include expanding our market presence, enhancing manufacturing capabilities, strengthening operational excellence, and delivering innovative products that meet the evolving needs of our customers. With a dedicated workforce, trusted business partners, and the continued confidence of our shareholders, we are confident in our ability to achieve sustainable and profitable growth. I extend my sincere gratitude to our dedicated team for their commitment and consistent efforts, our partners, government authorities, bankers, customers and out suppliers/vendors whose continued trust and support remain the foundation of our success and growth. Thank you for your enduring support in our journey. Together, we will continue to build a stronger organization, creating enduring value for our stakeholders while contributing to the growth of the tyre retreading industry and the nation's economy.

With Warm regards,



Chairman & Managing Director

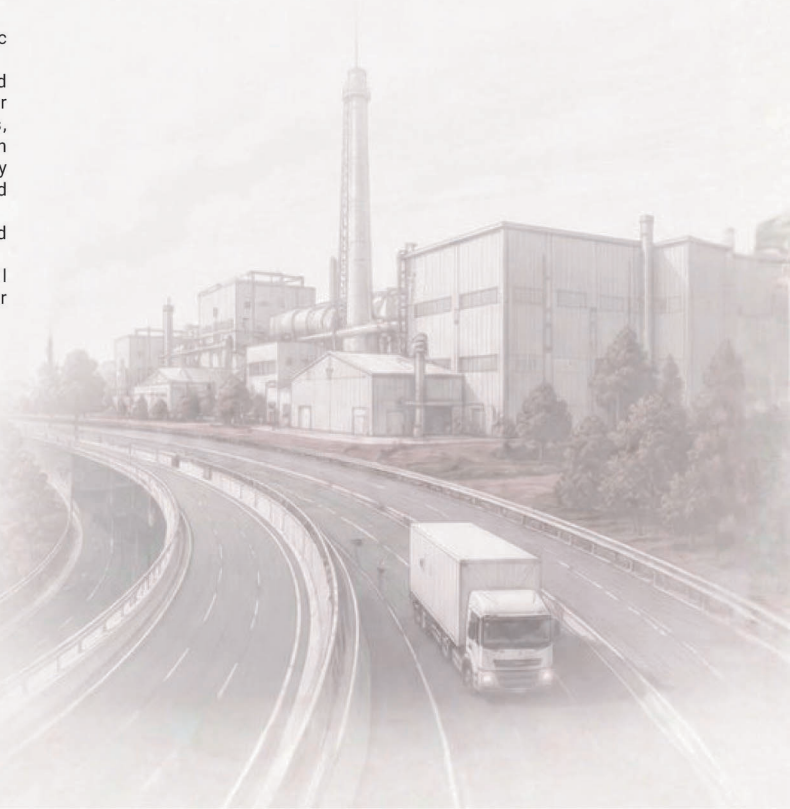


“

At Eastern Treads, every mile we cover is backed by a promise - TREADS YOU CAN TRUST .

This trust drives our innovation, strengthens our relationships, and inspires us to deliver performance that goes the distance, every time.

”



NOTICE TO SHAREHOLDERS

Notice is hereby given that the 33rd Annual General Meeting (AGM) of the members of Eastern Treads Limited (the “Company”) will be held on Tuesday, September 29, 2026 at 11.00 AM (IST) through Video Conferencing (VC) /Other Audio Visual Means (OAVM) facility to transact the following businesses:

Ordinary Business

1. **To receive, consider and adopt the Standalone Audited Financial Statements including Audited Balance Sheet and Statement of Profit and Loss of the Company for the Financial Year ended March 31, 2026 together with the schedules and annexures thereto, reports of the Board of Directors and the Auditors thereon.**
2. **To appoint a Director in place of Mr. Naiju Joseph (DIN:00419362), who retires by rotation in compliance with the provisions of Section 152 of the Companies Act, 2013 and being eligible, offers himself for reappointment.**

Special Business

3. **Appointment of Mr. Navas Meeran (DIN:00128692) as Managing Director of the Company for a term of five consecutive years**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution with or without modification:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and as per applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 to the extent applicable, (including any amendments thereto or re-enactment thereof, for the time being in force) (hereinafter collectively referred to as the “Applicable Laws”) and the Articles of Association of the Company, based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company at its meeting held on February 12, 2026, the appointment of Mr. Navas Meeran (DIN:00128692) as the Managing Director of the company, be and is hereby approved for a term of five consecutive years commencing from the close of business hours on February 14, 2026 till the close of business hours on February 13, 2031, on such terms and conditions as may be applicable, with NIL remuneration, and shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors or any Committee thereof, be and is hereby authorized to do all such things, deeds, matters, acts and things, as may be necessary, desirable, or expedient to give effect to this resolution and to take all steps incidental and ancillary thereto.”

4. Appointment of Mr. Karandeep Singh (DIN: 02203076) as an Independent Director of the Company

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution with or without modification:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) to the extend applicable, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, Mr. Karandeep Singh (DIN: 02203076), who was appointed as an Additional Director of the Company, in the category of Non-Executive Independent Director with effect from May 20, 2026, and who has submitted a declaration confirming that he meets the e criteria of independence as provided under Section 149(6) of the Act read with Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and is eligible for appointment under the provisions of the Act and who holds office upto the date of this Annual General Meeting of the Company, be and is hereby appointed as an Independent Director of the Company, to hold office for a term of 5 (five) consecutive years with effect from May 20, 2026 to May 19, 2031 (both days inclusive) and shall not be liable to retire by rotation..

RESOLVED FURTHER THAT the Board of Directors or any Committee thereof, be and is hereby authorized to do all such things, deeds, matters, acts and things, as may be necessary, desirable, or expedient to give effect to this resolution and to take all steps incidental and ancillary thereto.”

**By Order of the Board
For Eastern Treads Limited**

Sd/-

**Ernakulam
August 14,2026**

**Abil Anil
Company Secretary
Membership No. ACS 65170**

Notes

1. In accordance with the provisions of the Companies Act, 2013 (“Act”), read with the Rules made thereunder and General Circular numbers 20/2020 dated May 05, 2020, 02/2022 dated May 05, 2022, 10/2022 dated December 28, 2022, 09/2023 dated September 25, 2023, 09/2024 dated September 19, 2024 and 03/2025 dated September 22,2025 issued by the Ministry of Corporate Affairs (“MCA”) read with circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 issued by the Securities and Exchange Board of India (“SEBI”), from time to time (hereinafter collectively referred to as (“the Circulars”), companies are allowed to hold Annual General Meeting (AGM) through VC or OAVM , without the physical presence of

members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company situated at 3A, 3rd Floor, Eastern Corporate Office 34/137 E, Nh Bye-Pass, Edappally, Kochi, Kerala, India, 682024

2. The facility to attend the AGM through VC/OAVM will be provided through Central Depository Services (India) Limited (CDSL). The detailed instructions pertaining to remote e-voting, joining the AGM through VC/OAVM and Voting at the AGM are given separately hereunder.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and shall not be closed till expiry of 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Since this AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with and pursuant to MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. Hence, Proxy Form, Attendance Slip and route map of the AGM are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the members such as the body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. As per the relaxation provided by the aforementioned MCA and SEBI circulars, the Company will not be sending physical copies of AGM Notice and Annual Report to the shareholders. Notice of the AGM along with the Annual Report 2025-26 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Hence, the company requests the members to provide their email address, mobile numbers and other KYC details to the Registrar and Transfer Agent or update the same with their depositories to enable the Company to send the documents in electronic form. Notice and Audited Financial Statements for the Financial Year 2025-26 along with Directors' Report and Auditors' Report is also be available on the website of the Company at <https://www.easterntreads.com> under 'Investor Zone' section. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com . The AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. <https://www.evotingindia.com>.
7. The required material facts pursuant to Section 102 of the Companies Act, 2013 in respect of the item under Special Business is annexed herewith and forming part of this Notice.

8. The relevant details, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment/re-appointment/change in terms of appointment at this AGM are annexed to this notice.
9. The Company has fixed **September 22, 2026** as the '**Cut-off Date**' for the purpose of AGM and reckoning the entitlement of the shareholders to cast their voting through remote e-voting/ e-voting during the AGM. The remote e-voting /voting rights of the Members shall be reckoned on the Equity Shares held by them as on the Cut-off Date only. Any person who is not a member on the cut-off date should treat this notice for information purposes only.
10. The recorded transcript of the AGM will be hosted on the website of the Company at www.easterntreads.com/investor-zone/meeting-updates.
11. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
12. In terms of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, dividends remaining unclaimed or unpaid for a period of seven consecutive years from the date of declaration are required to be transferred to the Investor Education and Protection Fund (IEPF), along with the corresponding shares in respect of which dividends remain unclaimed for the said period. Upon such transfer, the shares are credited to the IEPF Demat Account maintained with the depositories, and all benefits, if any, accruing thereon are also transferred to the said account. The voting rights in respect of such shares remain frozen until they are claimed by the rightful owner.

The Company has, in compliance with the aforesaid provisions, transferred unclaimed dividends and shares to the IEPF Authority from time to time. Members may note that the said shares and unclaimed dividends can be claimed back from the IEPF Authority by following the prescribed procedure, including filing of e-Form IEPF-5 available on www.iepf.gov.in. The complete details of unclaimed dividends and shares transferred to IEPF are also available on the Company's website at www.easterntreads.com.

During the Financial Year 2025-26, the Company is not required to transfer any amount to the IEPF, as no amount remains in the Unpaid Dividend Account that has remained unclaimed for seven consecutive years.

13. All documents referred to in the Notice and the Explanatory Statement, and requiring Members' approval, and such statutory records and registers maintained under the Act and all other documents referred to in the notice are open for inspection at the Registered Office of the Company on all working days between 10.00 AM and 5.00 PM up to the date of the Annual General Meeting. The members who wish to inspect the same shall make a prior request for the same to the mail ID: investors@easterntreads.com.
14. The Shareholders are requested to update the contact address and e-mail address and are requested to notify immediately any change in their address, exclusively on separate letter without clubbing it with any other request, for quicker attention directly to the Company's Share Transfer Agent. Members who are holding shares in the same name or in the same order of names, under different folios, are requested to

notify the same to the Registrar and Share Transfer Agent for consolidation of their shareholding into a single folio.

15. The Securities and Exchange Board of India (SEBI) has mandated furnishing of PAN, KYC details (i.e., postal address with PIN code, email address, mobile number, bank account details and latest specimen signature, etc.) and nomination details by holders of securities. SEBI also mandated compulsorily linking PAN with Aadhaar number, unless specifically exempt by the competent authority. In terms of the said SEBI mandate, folios, wherein any of the above mentioned document / details (except for nomination) are not available, such members will not be eligible to lodge any grievance or avail service request from the RTA. Relevant forms prescribed by SEBI in this regard are available under the Investor Information Section on the Investor's page on the website of the company at the web-link: <https://www.easternthreads.com/investor-zone/shareholder-communications>. Members are requested to update the same with the company's Registrar and Transfer Agent.
16. SEBI has vide its amendment Circular Nos. SEBI/ HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 and SEBI/HO/MIRSD/POD1/P/CIR/2023/181 dated November 17, 2023 read with previous circulars issued in this regard has mandated that with effect from April 01, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature. Further, relevant FAQs published by SEBI can be viewed on its website <https://www.sebi.gov.in/>. Members holding shares in physical form are advised to update the Bank Account details with the records of the company's Registrar and Transfer Agent.
17. Members holding shares in physical form are requested to address all their correspondence pertaining to change in their name, postal address, email address, telephone / mobile numbers, Permanent Account Number, mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc. to the Registrar and Transfer Agents viz. **Integrated Registry Management Services Private Limited, 2nd Floor, Kences Towers, No: 1, Ramakrishna Street, North Usman Road, T. Nagar, Chennai - 600017. E-mail: yuvraj@integratedindia.in**. Members whose shareholdings are in electronic mode are requested to approach their respective depository participants for the same.
18. As per SEBI norms, with effect from January 25, 2022, all transmission / transfer requests including issuance of duplicate share certificates are mandatorily to be processed in dematerialised form only. Hence the shares of the Company are traded compulsorily in demat mode. To eliminate all risks associated with physical shares, **members holding shares in physical form are requested to convert their holdings to dematerialized form**. The Company is having agreements with NSDL and CDSL to enable Members to have the option of dealing and holding the shares of the Company in electronic form. Any member desirous to dematerialize his holding may do so through any of the depository participants. **The ISIN of the equity shares of the Company is INE500D01015**. Members can also contact the Company or its Registrars and Transfer Agents for assistance in this regard.

19. Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated July 02, 2025, SEBI had provided a special window from July 07, 2025 to January 06, 2026 for re-lodgement of physical share transfer requests that were lodged for transfer prior to April 01, 2019 but were rejected, returned or not processed due to deficiency (ies) in documentation or other procedural reasons. In order to further facilitate investors in obtaining rightful access to their securities, SEBI has, vide Circular No. SEBI/HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated January 30, 2026, opened an additional special window for transfer and dematerialisation ("demat") of physical securities sold/purchased prior to April 01, 2019.

Accordingly, shareholders may note that the aforesaid special window shall remain open for a period of one year from **February 05, 2026 to February 04, 2027**. This facility is available for transfer requests that were earlier rejected, returned or remained unprocessed due to documentation deficiencies, procedural issues or any other reason. Shares transferred under this special window shall be credited to the transferee only in dematerialised form and shall be subject to a lock-in period of one year from the date of registration of transfer, during which such securities cannot be transferred, lien-marked or pledged.

Shareholders wishing to transfer their physical shares are advised to make use of this re-lodgement window.

20. SEBI vide Circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023 (updated as on August 04, 2023 and December 20, 2023) has specified that a shareholder shall first take up his / her / their grievance with the listed entity by lodging a complaint directly with the concerned listed entity and if the grievance is not redressed satisfactorily, the shareholder may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in accordance with the process laid out therein. Only after exhausting all available options for resolution of the grievance, if the shareholder is not satisfied with the outcome, He / She / They can initiate dispute resolution through the Online Dispute Resolution ("ODR") Portal at <https://smartodr.in/login>. The aforesaid SEBI Circular and the link for the ODR Portal is also available on the website of the company at <https://www.easterntreads.com/investor-zone/shareholder-communications>
21. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations, and the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM.

Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes (the "Remote e-voting") by a member using remote e-Voting system as well as e-voting system on the date of AGM will be provided by CDSL to the members of the Company holding share in physical or dematerialized form, as on the cut-off date, being **September 22, 2026** to exercise their right to vote by electronic means on any or all of the business specified in the accompanying Notice.

22. **THE INTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETING ARE AS UNDER:**

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (1) The voting period begins on **September 25, 2026 at 9.00 AM** and ends on **September 28, 2026 at 5.00 PM**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 22, 2026 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (2) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (3) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (4) In terms of SEBI circular no. **SEBI/HO/CFD/CMD/CIR/P/2020/242** dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

	2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting 4. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(5) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.

Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.
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- 7) After entering these details appropriately, click on “SUBMIT” tab.
- 8) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- 9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- 10) Click on the **EVSN 260831039** relevant for Eastern Treads Limited on which you choose to vote.
- 11) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- 12) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- 13) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- 14) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- 15) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- 16) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- 17) An optional facility is also available for uploading the Board Resolution / Power of Attorney (BR / POA), where applicable. Any document so uploaded will be available to the scrutinizer for verification.

18. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investors@easterntreads.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

19. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning

their name, demat account number/folio number, email id, mobile number at investors@easterntreads.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at investors@easterntreads.com. These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

20. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investors@easterntreads.com.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, AVP, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurx, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

1. The Board of Directors has appointed **CS Puzhankara Sivakumar**, Company Secretary (Membership No. F3050, COP NO. 2210), Managing Partner, M/s. SEP & Associates, Company Secretaries, Kochi or in his absence, CS Madhusudhanan EP (Membership No. F10085, COP No. 21874), Partner, M/s. SEP & Associates, Company Secretaries, Kochi as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.

2. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

The voting results, together with the Scrutinizer's Report, shall be declared by the Chairman or Company Secretary. Upon declaration, the results shall be hosted on the website of the Company www.easterntreads.com and on the website of CDSL www.evotingindia.com, and shall simultaneously be submitted to BSE Limited, where the equity shares of the Company are listed. The results shall also be displayed on the Notice Board at the Registered Office of the Company for a period of not less than three days

STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3 – Appointment of Mr. Navas Meeran (DIN:00128692) as Managing Director of the Company for a term of five consecutive years.

Mr. Navas Meeran (DIN: 00128692) was serving as the Chairman and Non-Executive Director of the Company. In addition to his role as Chairman, based on recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on February 12, 2026 appointed Mr. Navas Meeran (DIN: 00128692) as Managing Director of the Company and re-designated him as Chairman and Managing Director of the Company for a period of five (5) years effective from the close of business hours on February 14, 2026 till the close of business hours on February 13, 2031 at NIL remuneration. His appointment as Managing Director, requires consent from the shareholders, hence the same is being proposed for approval at this Annual Genral Meeting.

Brief Profile:

Mr. Navas Meeran is a Post Graduate in Business Management and is a distinguished entrepreneur with over three decades of rich experience in the business of spices as well as the tyre retreading industry. He hails from a reputed business family in Adimali, well known for manufacturing and exporting spices and curry powder.

He is the recipient of the prestigious 'Kamal Patra' award from the Indian Junior Chamber in 1994, in recognition of his excellence as an outstanding young entrepreneur. Over the years, he has demonstrated exceptional leadership and business acumen across multiple sectors.

Mr. Navas Meeran has also held several prominent positions in industry bodies. He served as the Chairman of the Confederation of Indian Industry (CII), Southern Region Council, and prior to that as the Deputy Chairman of the CII. He has also been the Chairman of the CII Kerala Chapter, contributing significantly to industrial development and policy advocacy.

Considering his vast experience, leadership qualities, and deep industry knowledge, the Board is of the opinion that his appointment as Managing Director is in the best interests of the Company.

The requisite disclosures pertaining to Mr. Navas Meeran in accordance with the provisions of the Listing Regulations and Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India are annexed to this Notice.

In terms of the applicable provisions of the Companies Act, 2013, the appointment of Mr. Navas Meeran as Managing Director is subject to the approval of the Members of the Company. Accordingly, the Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for the approval of the Members.

Except Mr. Navas Meeran (DIN: 00128692) and Mrs. Shereen Navas (DIN: 00328770), none of the Directors, Key Managerial Personnel, or their relatives (except to the extent of their shareholding), are concerned or interested in the said resolution.

Item No.4 – Appointment of Mr. Karandeep Singh (DIN: 02203076) as an Independent Director of the Company

Based on the recommendation of Nomination and Remuneration Committee and after taking into consideration the balance of skills, knowledge and experience available on the Board, the Board of Directors of the Company at its meeting held on May 20, 2026, appointed Mr. Karandeep Singh (DIN: 02203076) as an additional director in the category of Independent Director, to hold office for a term of 5 years w.e.f. May 20, 2026 to May 19, 2031 (both days inclusive), subject to the approval of the Members by way of an Ordinary Resolution pursuant to the provisions of Sections 149, 150, 152 and Schedule IV of the Act read with rules thereunder and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Mr. Karandeep Singh holds office up to the date of this Annual General Meeting of the Company as per Section 161 of Companies Act, 2013. The Board of Directors is of the opinion that Mr. Karandeep Singh fulfils the conditions specified in the Act and the Rules made thereunder and he is independent of the management.

Brief Profile:

Mr. Karandeep Singh aged 57 years is a finance professional with over three decades of experience in finance leadership and general management across diverse industries. He is a Chartered Accountant (Merit Lister) and a Gold Medalist in Bachelor of Commerce (Hons) from Delhi University.

He has held senior leadership roles including Chief Financial Officer and Finance Director at prominent organizations such as Flipkart, Tesco Business Services, Sapient India, Dell Services, and Ariba. His expertise covers sectors including consumer technology, retail, IT/ITES, SaaS, Gaming and Esports, High tech Manufacturing, and Quick Service Restaurants, with strong exposure to financial reporting, corporate governance, and strategic decision making.

Currently, Mr. Karandeep Singh serves as an Investor and Executive Director at Aspire Impact, where he focuses on impact measurement and management, particularly driving the SaaS platform IKOO World. An entrepreneur at heart, he has successfully built and excited ventures such as TyresnMore.

Mr. Karandeep Singh engages closely with founders, providing guidance on finance, strategy, and fundraising. He is also a fellow of the Kamalnayan Bajaj Leadership Program conducted by the Ananta Aspen Centre.

With international experience across Asia Pacific and the Middle East, and a strong belief in values-based leadership, he brings a global perspective to his work.

The necessary eligibility certificates and declarations including consent for appointment as an Independent Director of the Company and a declaration confirming that he meets the criteria of independence as prescribed under Section 149 of the Act and the Listing Regulations, have been received from Mr. Karandeep Singh.

The Company has received declaration from Mr. Karandeep Singh, confirming that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and the rules made thereunder. Further, he is not debarred from holding of office by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), or any such regulatory authority.

The requisite disclosures pertaining to Mr. Karandeep Singh in accordance with the provisions of the Listing Regulations and Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India are annexed to this Notice.

In line with the aforesaid provisions of the Act and considering the vast experience of Mr. Karandeep Singh, the Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for the approval of the members.

Except Mr. Karandeep Singh, none of the Directors, Key Managerial Personnel, or their relatives, or entities comprising the interest of Promoters, Directors, or Key Managerial Personnel are concerned or interested in this resolution except to the extent of their shareholding.

The Board of Directors believe that the proposed appointment is in the best interest of the company and its members.

Place: Ernakulam

Date: 14.08.2026

By order of the Board of Directors

For Eastern Treads Limited

Sd/-

Abil Anil

Company Secretary

Membership No. ACS 65170

Additional Information of Directors Pursuant to Section 102 of the Companies Act, 2013 and Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meeting (SS-2) issued by the Institute of Company Secretaries of India.

Name	Mr. Naiju Joseph	Mr. Navas Meeran	Mr. Karandeep Singh
DIN	00419362	00128692	02203076
Date of Birth & Age	26-05-1966 60 years	23-07-1969 57 years	22-09-1969 57 years
Nationality	Indian	Indian	Indian
Date of first appointment on the Board	01-09-1998	26-08-1997	20-05-2026
Qualifications	Graduate in Economics	Post Graduate in Business Management	Chartered Accountant
Experience in specific functional areas	He hails from a business family of Vazhakulam, engaged primarily in tyre re-treading industry and has vast experience in running tyre retreading industry.	He is the current Chairman of the Meeran Group of Companies, a fast developing and progressive group based in Kerala. He hails from a respectable business family in Adimali renowned for manufacturing and exporting of spices and curry powder. After graduating in Commerce, Mr. Navas Meeran joined the family business and has over 33 years of experience and having immense practical experience in tyre retreading industry. His distinct entrepreneurial talent coupled with his hard work and persistence has contributed substantially to the growth of the group to its present stature. Through his leadership, Eastern has	He is a finance professional with over 30 years of experience spanning finance leadership and general management across diverse industries. He is a Chartered Accountant (Merit Lister) and a Gold Medalist in B.Com (Hons) from Delhi University. He has held senior leadership roles including CFO and Finance Director at prominent organizations such as Flipkart, Tesco Business Services, Sapient India, Dell Services, and Ariba. His expertise covers sectors including consumer technology, retail, IT/ITES, SaaS, Gaming and Esports, High tech Manufacturing, and Quick Service Restaurants, with strong exposure to financial reporting,

		gained global presence, and its growth in the international market continues to soar. He is the past Chairman of Confederation of Indian Industry (CII), Southern Region and Co-Chair-CII Expert Group on Doubling Farmers' Income, Member-CII National Council. Apart from this, he is also the Chairman of ME Meeran Foundation for Entrepreneurship.	corporate governance, and strategic decision making. Mr. Karandeep Singh engages closely with founders, providing guidance on finance, strategy, and fundraising. He is also a fellow of the Kamalnayan Bajaj Leadership Program conducted by the Ananta Aspen Centre. With international experience across Asia Pacific and the Middle East, and a strong belief in values-based leadership, he brings a global perspective to his work.
Directorship held in other Companies	Eastern Retreads Private Limited	Nanma Properties Private Limited Eastea Chai Private Limited Eastern Mattresses Private Limited Reenaz Properties Private Limited Freenaz Properties Private Limited Locus Constructions Private Limited Meerans Properties Private Limited Shenaz Properties Private Limited Shehab Properties Private Limited Domino Builders Private Limited Eastern Retreads Private Limited	Aspire Impact Ratings Private Limited

		NKF Realtors Private Limited Zero Degree OOH Private Limited Mirai Digital Networks Private Limited	
Relationship with other Directors or Manager or Key Managerial Personnel of the Company	NIL	Mrs. Shereen Navas (DIN: 00328770), Director of the company, is spouse to Mr. Navas Meeran.	NIL
Directorship held in other listed Companies	NIL	NIL	NIL
Memberships in the Committees of Board of other listed Companies	NIL	NIL	NIL
Member / Chairperson of Board Committees	Member of Nomination and Remuneration Committee of the company	Member of Audit Committee and Stake Holder Relationship Committee and Chairman of Finance Committee of the Company	Member of Audit Committee and Finance Committee of the company
No. of Board Meetings attended during the financial year 2025-26	5	5	NIL
No. of shares held in the company (including as beneficial owner)	3100 (0.06%) Equity Shares	1353250 (25.86%) Equity Shares	NIL
Terms and conditions of appointment/re-appointment along with details of remuneration sought to be paid	Appointed subject to retirement by rotation Remuneration : NIL	Appointed for a term of 5 years Not liable to retire by rotation Remuneration : NIL	Appointed for a term of 5 years Not liable to retire by rotation Eligible for sitting fee
Details of last drawn remuneration	NIL	NIL	NIL

Details of the skills and capabilities required for the role and the manner in which the proposed person meets such requirements (for Independent Directors)	NA	NA	I. Consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (“the Appointment Rules”) II. Intimation in Form DIR 8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act, III. Declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and under LODR Regulations, IV. Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/ CML/ 2018/24 dated June 20, 2018 that he has not been debarred from holding office of a Director by virtue of any order passed by the SEBI or any other such authority, V. Confirmation that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge
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			duties as an Independent Director of the Company; VI. Confirmation that he is in compliance with Rules 6(1) and 6(2) of the Appointment Rules, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs, and VII. Confirmation that he had not been a partner of a firm that had transactions during the last three financial years with Infosys Limited or its subsidiaries amounting to 10 (ten) percent or more of its gross turnover
Resignations from listed entity in last three years	NIL	NIL	NIL
Justification for choosing the appointee for appointment as Independent Director	NA	NA	Considering his 3 decades of experience as a finance professional spanning finance leadership and general management across diverse industries, along with his extensive experience in the tyre industry in various roles and his entrepreneurial venture TyresNMore, he brings strong domain expertise, strategic insight, and business acumen. His deep understanding of financial management, industry dynamics, and

			operational practices is expected to add significant value to the Company's strategic direction. The Board is of the view that his appointment as an Independent Director will strengthen governance and enhance deliberations through his independent judgment and value-added perspective.
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DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 33rd Annual Report on the business operations of the Company together with audited Ind AS Financial Statements for the financial year ended March 31, 2026 along with comparatives.

Financial Summary and Highlights

The following table shows the operational results of the Company for the year 2025-26 as compared to that of the previous year.

(₹ in lakhs)

	Year ended	
	31/03/26	31/03/25
Revenue from Operations	6241.11	6023.29
Other Income	34.84	39.27
Total Revenue	6275.95	6062.56
Expenditure	6162.65	6111
Profit / (Loss) before Interest, Depreciation and Tax	113.3	(48.44)
Depreciation/Amortization/ Impairment	74.29	83.93
Profit / (Loss) before Finance Costs and Tax	39.01	(132.37)
Finance Cost	238.22	246.04
Profit / (Loss) before exceptional item and tax	(199.21)	(378.41)
Exceptional item	205.03	Nil
Profit / (Loss) before tax	5.82	(378.41)
Tax Expense	(2.74)	(75.29)
Profit / (Loss) for the year	8.56	(303.12)
Other comprehensive income / (loss)	7.81	9.45
Total comprehensive profit / (loss) for the year	16.37	(312.57)

Performance

During the financial year ended March 31, 2026, your company recorded a total income of Rs. 6275.95 lakhs compared to Rs. 6062.56 lakhs in the preceding year reflecting modest growth in operations and your company marked a significant turnaround in profitability. The company reported a profit before tax of Rs. 5.82 lakhs, in contrast to a loss of Rs. 378.41 lakhs in the previous year. Further, the total comprehensive income for the year stood at Rs. 16.37 lakhs, as compared to loss of Rs. 313.12 lakhs in the previous year. The positive performance

was driven by the Company through enhanced market share across both domestic and export segments. The company successfully expanded their exports to new markets such as United States and Mexico.

Reserves

In view of the accumulated losses brought forward from previous years, the Board of Directors has not recommended any transfer of profits to the reserves for the year under review. The profit earned during the year has been adjusted against the accumulated losses in accordance with applicable accounting principles.

Dividend

The Board has decided not to recommend any dividend for the financial year 2025–26.

Material changes and Commitments

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year to which the financial statements relate and the date of this Report.

Information on State of Company's Affairs

Information on operational and financial performance etc., is provided in the Management Discussion and Analysis Report, which is annexed to the Directors' Report as **Annexure 5**.

Change in the nature of business, if any;

There has been no change in the nature of business of the Company during the year under review.

Capital and Debt Structure

As at the end of the financial year the authorized Equity Share Capital of the Company stands at Rs.1600 lakhs and the paid-up Share Capital stands at Rs. 523.29 Lakhs, net of Rs. 17.935 Lakhs in the forfeiture account.

The Promoter and Promoter Group hold 65.48% of the paid up equity share capital while 34.52% of the paid up equity share capital are held by public shareholders.

The company allotted 900 equity shares to Mrs. Wahida Begum G, whose shares were earlier forfeited by the company due to non-payment of allotment money. Mrs. Wahida Begum G made a request to the company to allot the shares earlier applied by her for which the application money was already paid and the allotment money was due. The board at its meeting held on February 14, 2025 considered her request and allotted 900 fully paid up equity shares upon payment of the balance amount, subject to approval from the BSE Limited. The BSE Limited has considered the application and issued the trading approval for the aforesaid shares on May 29, 2025. The corporate action of the 900 shares was processed by CDSL pursuant to the final trading approval received from BSE dated January 19, 2026. Hence the paid up capital was increased by Rs. 9,000/-, divided into 900 shares of Rs. 10 each.

Your Company neither issued any shares with differential voting rights nor granted any stock options or sweat equity and instruments convertible into equity shares. Your Company has not made any provision of money for purchase of its own shares by employees or by trustees for the benefit of employees during the year under review.

The company has issued 10 lakh Zero Coupon Redeemable Preference Shares having face value of Rs. 10 each in the year 2009. The terms of redemption was altered in the year 2016 proposing a redemption by not more than 10 (ten) annual installments of 100 lakh out of profit per year. The first tranche of redemption of 100 lakh was made in FY 2016-17, no redemption was made subsequently. The outstanding 9 lakh Zero Coupon Redeemable Preference Shares was due for redemption in the financial year 2025-26. Considering the inadequacy of profit and the financial position of the company, the Board of Directors, with the approval of concerned preference shareholders, extended the redemption tenure to the maximum limit of 20 years from the date of allotment till 2029, in line with the provisions of Companies Act 2013.

Number and date of Board Meetings

Five Board meetings were held during the year. The Board meets at least once in a quarter with a gap of not more than 120 days between any two meetings. The details of the Board meetings are as under;

Sl.No.	Date	Board Strength	Directors present
1	April 30, 2025	6	6
2	May 29, 2025	6	6
3	August 14, 2025*	8	7
4	November 10, 2025	8	8
5	February 12, 2026	8	7

**The board strength and directors present includes the newly appointed directors Mr.Devarajan Krishnan and Dr.Siby Varghese*

Directors and Key Managerial Personnel

The composition of the Board of Directors of the Company is duly constituted as per provisions of Companies Act 2013. It is further to be noted that Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, relating to Board composition is not applicable to the company during the year under review. The Directors and Key Managerial Personnel ("KMPs") of the Company as on March 31, 2026 are as below:

SI No	Name of the Director/KMP	DIN/PAN	Designation
1	Navas Meeran	00128692	Chairman & Managing Director (KMP)
2	Shereen Navas	00328770	Director
3	Naiju Joseph	00419362	Director
4	Devarajan Krishnan	11240487	Whole Time Director & Chief Financial Officer (KMP)
5	Natarajan Jeyaseelan	02281278	Independent Director
6	Rani Joseph	07423144	Independent Director
7	Siby Varghese	11240695	Independent Director
8	Abil Anil	CPKPA5304J	Company Secretary & Compliance Officer (KMP)

The Board of Directors appointed Mr. Siby Varghese (DIN: 11240695) as an Additional Director in the category of Non- Executive Independent Director (for a period of 5 years) effective from August 14, 2025 and Mr. Devarajan Krishnan (DIN: 11240487), who was serving as Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of the Company, as Whole Time Director (WTD) of the company for a period of 3 years effective from August 14, 2025 subject to the approval of shareholders. Accordingly, he was re-designated as WTD and CFO of the company.

The Members of the Company have regularized the appointments of Dr. Siby Varghese (DIN: 11240695) and Mr.Devarajan Krishnan (DIN: 11240487) as Non- Executive Independent Director and Whole Time Director respectively, by passing special resolutions at the Annual General Meeting held on September 25, 2025.

Mr. M. E. Mohamed (DIN: 00129005) retired as Managing Director of the company due to expiry of his tenure and he ceased to be part of the board effective from the close of business hours on February 14, 2026.

During the year under review, following changes occurred in the composition of Director/KMP:

SI No	Name of the Director/KMP	DIN	Designation	Effective Date	Nature of Change
1	Devarajan Krishnan	11240487	Chief Executive Officer	August 14, 2025	Cessation
2	Devarajan Krishnan	11240487	Whole Time Director & Chief Financial Officer	August 14, 2025	Appointment
3	Siby Varghese	11240695	Independent Director	August 14,2025	Appointment
4	M.E Mohamed	00129005	Managing Director	February 14, 2026	Cessation
5	Navas Meeran	00128692	Managing Director	February 14,2026	Appointment

The members re-appointed Mr. Navas Meeran (DIN 00128692) who retired by rotation at the Annual General Meeting held on September 25,2025.

Mr. Naiju Joseph , having (DIN: 00419362), Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board at its meeting held on August 14, 2026 recommends his re-appointment at the ensuing Annual General Meeting.

On May 20, 2026, the Board considered the appointment of Mr. Karandeep Singh (DIN: 02203076) as an Additional Director in the category of Non-Executive Independent Director effective from May 20, 2026. His appointment is proposed for a period of 5 years effective from, May 20, 2026 till May 19, 2031(both days inclusive) subject to the approval of the shareholders of the Company at the ensuing Annual General Meeting.

The Board has considered the declarations given by independent directors under Section 149(7) with respect to meeting the criteria of independence and compliance with the Code for Independent Directors.

Independent directors further declared that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence and are independent of the management.

Meeting of the Independent Directors was held on March 27, 2026 without the attendance of Non-Independent Directors and members of Management. All Independent Directors were present at the meeting. The Independent Directors reviewed the performance of non-independent directors, the Board and the Chairman as well as the information flow structure of the Company.

The Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses, if any, incurred by them for the purpose of attending meetings of the Company. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise (including the proficiency) and they hold highest standards of integrity. The Directors are compliant with the applicable provisions of Companies (Appointment and Qualification of Directors) Rules, 2014.

Committees of the Board

Pursuant to the requirements under the Companies Act, 2013 the Board of Directors have duly constituted various committees such as Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee.

The Board has constituted a Finance Committee, operating within the framework approved by the Board, to oversee matters relating to financial planning, borrowings, investments, treasury management, and other significant financial decisions. The Committee provides strategic guidance and oversight to ensure effective financial management and alignment with the Company's objectives and governance framework.

Details of all the committees along with their main terms, composition and meetings held during the year under review are shown below. The Board has accepted all recommendations of the Audit Committee during the year under review.

Audit Committee

The Audit Committee is duly constituted in accordance with the Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014. It adheres to the framework prepared in compliance with Section 177 of the Companies Act, 2013. The Members of the Committee as on March 31, 2026 are as below:

Name	Category	Position
Mr. N. Jeyaseelan	Non-Executive Independent Director	Chairman
Mrs. Rani Joseph	Non-Executive Independent Director	Member
Dr. Siby Varghese	Non-Executive Independent Director	Member
Mr. Devarajan Krishnan	Whole Time Director & Chief Financial Officer	Member

Two third of the members are Independent Directors and all the members are financially literate. The composition, role, functions and powers of the Audit Committee are in line with the requirements of applicable laws. The Audit Committee shall oversee financial reporting process and disclosures, review financial statements, internal audit reports, related party transactions, financial and risk management policies, auditors' qualifications, compliance with Accounting Standards etc. and oversee compliance with Stock Exchanges and legal requirements concerning financial statements and fixing audit fee as well as payment for other services etc.

Four Audit Committee meetings held during the year 2025-26 at the Registered Office of the Company on May 29, 2025, August 14, 2025, November 10, 2025 and February 12, 2026. All the members of the committee along with representatives of Internal and Statutory Auditors and Chief Financial Officer attended all the audit committee meetings except, N. Jeyaseelan, Chairman of the committee for the meeting held on August 14, 2025. The Company Secretary acts as Secretary to the Audit Committee.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee is constituted in compliance with Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014. The Committee Members as on March 31, 2026 are as below:

Name	Category	Position
Mr. N. Jeyaseelan	Non-Executive Independent Director	Chairman
Mrs. Rani Joseph	Non-Executive Independent Director	Member
Mr. Naiju Joseph	Non-Executive Director	Member

The Company Secretary acts as the Secretary to the Committee. The Committee formulates criteria for determining qualifications, positive attributes and independence of a director and recommends to the Board the policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees and evaluation of Independent Directors and the Board. It identifies persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carry out evaluation of every director's performance.

The Nomination and Remuneration Committee held meeting on August 04, 2025, August 12, 2025, and February 12, 2026. All members attended the meeting.

Finance Committee

The Board has constituted a Finance Committee, and has delegated its power to borrow money, to invest the funds of the company and to grant loans or give guarantee or provide security in respect of loans to the committee. The finance committee is operating within the framework approved by the board and is subject to regular oversight and review by the board.

The members of the committee as on March 31, 2026 are as below :

Name	Category	Position
Mr. Navas Meeran	Managing Director	Chairman
Mrs. Shereen Navas	Director	Member
Mr. Devarajan Krishnan	Whole time Director & Chief Financial Officer	Member

Stakeholders Relationship Committee

The Stakeholders Relationship Committee constituted in compliance with section 178 of the Companies Act 2013. The Company Secretary acts as the secretary to the committee. The members of the committee as on March 31, 2026 are as below :

Name	Category	Position
Mr. Navas Meeran	Managing Director	Chairman
Mrs. Rani Joseph	Independent Director	Member
Mr. Devarajan Krishnan	Whole Time Director & Chief Financial Officer	Member

The Stakeholders Relationship Committee looks into shareholders' complaints relates to transfer of shares, non-receipts of balance sheet besides complaints from SEBI, Stock Exchanges, Court and various Investor Forums. It oversees the performance of the Registrars and Transfer Agent, and recommends measures for overall improvement in the quality of investor services.

The Company complied with the requirements of SCORES and Smart ODR platform, initiated by SEBI for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders' complaints. No complaints from the shareholders received during the financial year and there were no outstanding complaints as on March 31, 2026.

Board Evaluation

Your Company believes that the process of performance evaluation at the Board level is pivotal to its Board engagement and effectiveness. The Nomination and Remuneration Policy of the Company empowers the Board to formulate a process for effective evaluation of the performance of individual directors, Committees of the Board and the Board as a whole pursuant to the provisions of the Act. The Board has carried out the annual performance evaluation of its own performance, of Committees of the Board and of the Directors individually. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specified duties, obligations and governance. A separate exercise was carried out to evaluate the performance of Independent Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company.

The Independent Directors of the Company met on March 27, 2026 without the presence of Non-Independent Directors and members of the management to review the performance of Non-Independent Directors and the

Board of Directors as a whole; review the performance of the Managing Director of the Company and to assess the quality, quantity and timeliness of flow of information between the management and the Board of Directors. The performance evaluation of the Independent Directors was carried out by the entire Board. The Directors expressed their satisfaction with the evaluation process.

Remuneration of Directors and Employees

The Board has considered the Company's policy on Directors', Employees and KMPs appointment and remuneration including criteria for determining qualifications, positive attributes and independence of a director and the same is available in the website of the company at <https://easterntreads.com/policies-downloads/1770122447.pdf>. The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as **Annexure -1** and forms part of this Report.

In accordance with the provisions of Section 197(12) of the Act and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and particulars of remuneration of top ten employees in terms of remuneration is available on the website of the Company at <https://easterntreads.com/investor-zone/annual-reports>. There were no employees in receipt of remuneration exceeding the limits as specified in the aforesaid rule and hence, no disclosure is made for the same.

Internal Financial Controls with reference to the Financial Statements

Internal financial control and their adequacy are included in the Management Discussion and Analysis, forming part of this report as **Annexure - 5**.

Frauds reported by the Auditor, if any.

The Auditors of the Company have not reported any fraud as specified under the second proviso to Section 143(12) of the Act.

Subsidiaries, associates and joint ventures

The company has no Subsidiaries, associates and joint ventures. During the financial year under review, no company became or ceased to be a subsidiary, joint venture, or associate company of the Company.

Deposits

The Company has not accepted any deposits during the year to which the provisions of Chapter V of the Companies Act, 2013 are applicable.

Corporate Social Responsibility

The company does not fall within the ambit of the provisions of Section 135 of the Companies Act 2013 regarding Corporate Social Responsibility and hence there are no disclosures to be made as per the provisions of Section 135 and Schedule VII of the Companies Act, 2013.

Loans, Guarantees or Investments

Details regarding loans, guarantees, or investments as per Section 186 of the Companies Act, 2013 are provided in the notes to the Financial Statements. The company is holding 1441550 equity shares representing a 9.69% stake in Shipnext Solutions Private Limited. The Company has invested an amount of Rupees 4,00,000 through a Systematic Investment Plan (SIP) during the financial year 2025–2026. As of March 31, 2026 the balance value of the said investment stood at Rupees 3,60,644 resulting in the market value reduction of rupees 39356.

Contracts or Arrangements with Related Parties

There were no materially significant related party transactions which could have a potential conflict with the interests of the Company. Transactions with related parties are in the ordinary course of business at arm's length and are periodically placed before the Audit Committee and Board for its approvals and the particulars of contracts entered during the year, in Form AOC-2 is enclosed as **Annexure - 2**.

Disclosures of transactions of the Company with person or entity belonging to the promoter or promoter group which hold(s) 10% or more shareholding in the listed entity, in the format prescribed in the relevant accounting standards for annual results as per para 2A of schedule V SEBI LODR regulations 2015 is as below :

- 1) The outstanding loan, including accrued interest, payable by the Company to Mr. Navas Meeran amounting to Rs. 253.5 lakhs.
- 2) The Company paid Rs. 30 lakhs to Mr. Feroz Meeran towards consultancy fees during the financial year.
- 3) The Company paid Rs. 12.08 lakhs to Mr. M.E Mohammed as Managerial remuneration.

Further details of the above related party transactions and outstanding balances are disclosed in Note No.31 to the Annual Financial Statements for the year ended March 31, 2026.

The Board of Directors, as recommended by the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules thereunder and the Listing Agreement. The policy on Related Party Transactions is available on the website of the Company at <https://www.easterntreads.com/investor-zone/policies-downloads>.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Your Company continues its efforts to improve energy conservation and utilization most efficiently to nurture and preserve the environment and to exploit all its avenues to adopt latest technology in its operations. The information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, regarding Conservation of Energy, Technology Absorption, Foreign Exchange Inflow and Outflow are given in **Annexure - 3** to this report.

Risk Management

The Company has developed and implemented a risk management policy, and a report on risk management is provided in this Annual Report in Management Discussion and Analysis. The Company has not identified any elements of risk which in their opinion may threaten the existence of your Company.

Vigil Mechanism

A Vigil Mechanism for directors and employees to report genuine concerns has been established as required under the provisions of Section 177 of the Companies Act, 2013. The Vigil Mechanism Policy has been uploaded on the website of the Company at <https://www.easterntreads.com/investor-zone/policies-downloads>.

Material Orders of Judicial Bodies / Regulators

No significant and material orders were passed by Courts, Tribunals and other Regulatory Authorities affecting the going concern status of the Company and its operations in the future.

Statutory Auditors and Auditors' Report

In accordance with Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, M/s. G Joseph & Associates, Chartered Accountants, Kochi were appointed as the Statutory Auditors of the Company at the 29th Annual General Meeting for a tenure of five years, from the conclusion the 29th Annual General Meeting till conclusion of 34th Annual General Meeting. Necessary certificate has been obtained from the Auditors as per Section 139(1) of the Companies Act, 2013. The Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI. There were no qualifications, reservation or adverse remarks given in the Statutory Auditors Report. No offence of fraud was reported by the Statutory Auditor of the Company.

Secretarial Audit Report

The Company has appointed M/s. BVR & Associates Company Secretaries LLP as the Secretarial Auditors of the Company for the financial year 2025-26 and the secretarial audit report on the compliance of the applicable Acts, Laws, Rules, Regulations, Guidelines, Listing Agreement, Standards etc. as stipulated by Section 204 of the Companies Act 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 forms part of this report as **Annexure - 4**. There were no qualifications, reservation or adverse remarks given in the Secretarial Audit Report. No offence of fraud was reported by the Secretarial Auditor of the Company. Further, Regulation 24 and 24A of SEBI (LODR) Regulations, 2015 is not applicable to the Company.

Cost Records and Cost Audit

The Cost accounts and records as required to be maintained under Section 148 (1) of Act are duly made and maintained by the Company.

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 the Cost Audit Report is not mandatorily applicable to our Company for the financial year, hence, no such audit has been carried out during the year.

Secretarial Standards

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board meetings and Annual General Meetings.

Corporate Insolvency Resolution Process

No application filed for corporate insolvency resolution process, by financial or operational creditor or by the Company under The Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal during the year under review.

Annual Return

In compliance with Section 92 and Section 134 of the Companies Act, 2013 the Annual Return in the prescribed format is available at <https://www.easterntreads.com/reports/Annual+Reports>.

Listing and Dematerialization

The equity shares of the Company are listed on the BSE Limited. The equity shares of the Company were not suspended from trading during the year. Shareholders holding shares of the company in physical mode are requested to convert their holdings to dematerialized form to derive its benefits by availing the demat facility provided by NSDL and CDSL.

Corporate Governance Report

Your Company has been complying with the principles of good Corporate Governance over the years and is committed to the highest standards of compliance. Pursuant to Regulation 15(2) of the SEBI (LODR) Regulations 2015, the compliance with the corporate governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V shall not apply to the Company. Hence the company has claimed exemptions with respect to the aforesaid regulations including the Corporate Governance provisions and the report is not included in the annual report.

Management Discussion and Analysis Report

As required under SEBI (LODR) Regulations 2015 the Management Discussion and Analysis Report is annexed as **Annexure – 5** and forms part of this Report.

Employee Wellbeing and Safety

Your Company has implemented policies and procedures with the objective of ensuring employee safety, security and wellbeing at the workplace. As stated in our Code of Conduct, we are committed to provide a gender friendly workplace, equal opportunities for men and women, prevent/redress sexual harassment and institute good employment practices. The Company has adopted policy on prevention of sexual harassment in line with the requirements of the Sexual Harassment of Women at the work place (Prevention, Prohibition and Redressal) Act, 2013. The employees including their dependent family members are covered under group Mediclaim policies, which gives them access to cashless claims across wide network of hospitals.

Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The following is a summary of sexual harassment complaints received and disposed of during the year:

- a) Number of complaints pending at the beginning of the year : Nil
- b) Number of complaints received during the year : Nil
- c) Number of complaints disposed off during the year : Nil
- d) Number of cases pending for more than 90 days : Nil
- e) Number of cases pending at the end of the year : Nil

During the year ended we had complied with provisions of Maternity Benefit Act, 1961 and the disclosures with respect to the same is disclosed under:

- a) Paid maternity leave : Nil
- b) Medical bonuses : Nil
- c) Nursing breaks : Nil
- d) Creche facilities (where applicable) : Nil

During the financial year ended March 31, 2026 there were 14 female employees and 165 male employees in the company.

Directors' Responsibility Statement

Pursuant to the requirement of Section 134 (3) and (5) of the Companies Act, 2013, your Directors confirm that:

- (a) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and that there are no material departures.
- (b) Selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit of the Company for that period.
- (c) Taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities.
- (d) Prepared the Annual Accounts on a going concern basis.
- (e) Devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- (f) Had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

Other Disclosures

Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof: NIL.

Acknowledgement

Your Directors wish to place on record their gratitude to Bankers, Share Transfer Agents, Auditors, Customers, Suppliers and Regulatory Authorities for their timely and valuable assistance and support. The Board values and appreciates the professionalism, commitment and dedication displayed by employees at all levels. Your Directors are thankful to the shareholders for their continued support and confidence.

For and on behalf of the Board

Sd/-

Navas Meeran

Chairman & Managing Director

DIN: 00128692

Ernakulam

14.08.2026

Annexure - 1

DIRECTORS' / EMPLOYEES REMUNERATION

[Pursuant to Section 197(12) of Companies Act, 2013 read with
Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- 1) Ratio of the remuneration of each Director to the median remuneration of the employees and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2025-26 are as follows

Name of Director / KMP	M.E Mohamed	Devarajan Krishnan	Abil Anil
Designation	MD	WTD & CFO	CS
Ratio of remuneration of each Director	4.68:1	29.48:1	4.13:1
% increase/(decrease) in remuneration of Directors & KMP in the FY 2025-26	0	33	12

- 2) The percentage increase in the median remuneration of employees in the financial year was 5%.
- 3) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.
- 3) There were 179 permanent employees on the rolls of Company as on March 31, 2026.
- 4) Key parameters for any variable components availed by the Directors : The Variable Pay shall be calculated based on the performance evaluation by the Nomination & Remuneration Committee for the period from April 01, 2025 to March 31, 2026.
- 5) It is hereby affirmed that the remuneration paid during the financial year 2025-26 is as per the Remuneration Policy of the Company.
- 6) None of the employees is in receipt of remuneration in excess of the limit laid down under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Note: -

- None of the Directors except Mr. M.E Mohamed (DIN: 00129005) Managing Director and Mr. Devarajan Krishnan (DIN: 11240487) Whole Time Director and Chief Financial Officer received any remuneration other than sitting fees during the financial year 2025-26.
- Median remuneration of the employees is calculated on the basis of remuneration details of employees including the Managing Director.

For and on behalf of the Board of Directors

Sd/-

Navas Meeran

Chairman & Managing Director

DIN: 00128692

Ernakulam
14.08.2026

Annexure - 2

FORM NO. AOC-2

(Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties Referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 Including certain arm's length transactions under Fourth proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts, arrangements, or transactions entered into during the year ended March 31, 2026, which were not at arm's length basis.

Details of material related party contracts or arrangement or transactions at arm's length basis:

There were no material related party contracts, arrangements, or transactions entered into during the year ended March 31, 2026.

However, related party transactions entered by the company during the period are as below.

Name of related Party and Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Monetary value of the contract or arrangement (in Rs.)	Amount paid as advances, if any
Fleetaid Professional Private Limited A private company in which a director or his relative is a director.	Sale, purchase or supply of any goods or materials or availing or rendering of any services	5 Years	The transactions will be in the ordinary course of business either at arms length or otherwise as decided by the board and approved / ratified by the audit committee.	04.09.2023	53.92 Lakhs	NIL
Group Meeran Private Limited A private com- pany in which a director or his relative is a director.	Availing of sharing of Employee Services	5 Years	The transactions are in the nature of ordinary course of business and approved / ratified by the audit committee and Board at each quarter.	29.05.2025	16.64 Lakhs	NIL

Eastern Retreads Private Limited A private company in which a director or his relative is a director.	Sale, Purchase or supply of any goods or materials or availing or rendering of any services	5 Years	The transactions are in the nature of ordinary course of business and approved / ratified by the audit committee and Board at each quarter.	14.02.2025	210.13 Lakhs	NIL
Eastea Chai Private Limited A private company in which a director or his relative is a director.	Availing of sharing of Employee Services	5 Years	The transactions are in the nature of ordinary course of business and approved / ratified by the audit committee and Board at each quarter.	29.05.2025	75.89 Lakhs	NIL
Reenaz Properties Private Limited. A private company in which a director or his relative is a director.	Sale, purchase or supply of any goods or materials or availing or rendering of any services.	1 Year	The transactions are in the nature of ordinary course of business and approved / ratified by the audit committee and Board at each quarter.	Reviewed and approved by the Board at its all quarterly meetings.	28.58 Lakh	NIL
Eastern Mattresses Private Limited. A private company in which a director or his relative is a director.	purchase or supply of any goods or materials.	One Time	Purchase of goods or materials.	10.11.2025	2.74 Lakh	NIL
M.E. Mohamed Promoter of the Company (Managing Director till 20.02.2026)	Availing or rendering of any services.	1 Year	The transactions are in the nature of Remuneration provided by the company and personal Guarantee extended to the Company.	Reviewed and approved by the Board at its meeting held on 14.02.2025. and Reviewed by the Board at the Quarterly meeting	Professional Charge – 1.29 Lakhs Guarantee – 1381.14 Lakhs	NIL

Feroz Meeran Promoter of the Company	Availing or rendering of any services	Consultancy Service Agreement – 11 Months Personal Guarantee – Continuing	Professional Charge provided by the Company Personal Guarantee extended to the Company	Reviewed and approved by the Board at its all quarterly meetings.	Professional Charge - 2.50 Lakhs Guarantee – 417.27	NIL
Navas Meeran & Chairman Managing Director of the Company	Availing or rendering of any services	Director Loan – 3 Year	Interest Accumulation of Director Loan Amounting to Rs. 18.84 Lakhs and Personal Guarantee extended to the Company	Reviewed and ap- proved by the Board at its all quarterly meet- ings	Loan Outstanding – 253.52 Lakhs Guarantee- 1798.41	NIL

For and on behalf of the Board of Directors

Sd/-

Ernakulam
14.08.2026

Navas Meeran
Chairman & Managing Director
DIN: 00128692

Annexure – 3

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION,
FOREIGN EXCHANGE EARNINGS AND OUTGO**

As per Section 134(3) (m) of the Companies Act, 2013
read with Rule 8 of the Companies (Accounts) Rules, 2014

A. Conservation of Energy

(i). Steps taken or impact on conservation of energy	Towards conservation of energy, the Company has been focusing on continual improvement for efficient utilization of all kinds of energy sources. With innovative methods in manufacturing process, maintenance and distribution systems, we have reduced the energy utilization. As a measure towards optimum use of natural resources, the company ensures 100% recycling of the leftover rubber and other materials generated during various stages of manufacturing process.
(ii). Steps taken by the Company for utilizing alternate sources of energy	The Company continue using fire wood/rubber wood, as the fuel for thermic fluid heater saving fossil fuels. Company is planning to utilize alternate sources of energy like liquefied gas in its operations.
(iii). Capital investment on energy conservation equipment.	Most of the projects related to energy conservation were done without much capital investment.

B. Technology Absorption

As an integral part of our continual efforts for implementing innovative technology for enhancing customer satisfaction we have successfully invented new retreading rubber matching with original new tyre performance. Utilizing high performance retread rubber helps to extend life of tyre twice or thrice depends on casing strength of the original tyre.

To illustrate the safety and durability of retreaded tyres we have undertaken a project of performance certification of retreaded tyres vs new tyres in its all range applications in collaboration with Rubber Board, Government of India. Its interim performance report is highly promising for tyre retreading industry. The R&D department is further working on new materials, compounds, processing methodologies and product designs to meet both national as well as international requirements at optimum costs.

The Company would undertake appropriate R&D activities depending up on the future requirements too. The Company use latest technology and operates at international standards. No technology has been imported by the Company during the period.

C. Foreign exchange earnings and Outgo

The Foreign Exchange inflows and outgo during the year are as follows:-

Particulars	(in Lakhs)
Foreign exchange inflows	717.12
Foreign exchange outflows	4.07

For and on behalf of the Board of Directors

Sd/-

Ernakulam

14.08.2026

Navas Meeran

Chairman & Managing Director

DIN: 00128692

Annexure - 4**Form No. MR-3****SECRETARIAL AUDIT REPORT**

For the Financial Year Ended March 31, 2026

[Pursuant to section 204(1) of the Companies Act, 2013 and

Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To

The Members

EASTERN TREADS LIMITED

CIN: L25119KL1993PLC007213.

We, BVR & Associates Company Secretaries LLP, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Eastern Treads Limited** [CIN: L25119KL1993PLC007213] (hereinafter called the Company). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of **Eastern Treads Limited's** books, papers, minutes book, forms and returns filed and other records produced to us and according to the information and explanations given to us by the Company, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31/03/2026 complied with the provisions of the Companies Act, 2013 (Act) and the Rules made there under, the Memorandum and Articles of Association of the Company and also applicable provisions of the aforesaid laws, standards, guidelines, agreements, etc.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Eastern Treads Limited** ("the Company") for the financial year ended on March 31, 2026 according to the provisions of:

1. The Companies Act, 2013 and the Rules made there under.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under.
3. The Depositories Act, 2018 and the Regulations and Bye-laws framed there under.
4. Foreign Exchange Management Act, 1999 and the applicable rules and regulations made there under.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
 - d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - e. The Securities and Exchange Board of India (Depositories And Participants) Regulations, 2018
 - f. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.
 - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
6. The Listing Agreement has been entered into by the Company with BSE Limited.
7. As informed to us the following other Laws specifically applicable to the Company as under:
1. The Factories Act, 1948.
 2. The Competition Act, 2002.
 3. The Kerala Panchayat Raj Act, 1994.
 4. Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013.
 5. The Petroleum Act, 1934
 6. The Rubber Act 1947

We have also examined compliance with the applicable clauses of the following:

1. Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the observations noted against each legislation. In respect of other laws specifically applicable to the Company, we have relied on information/ records produced by the Company during the course of our audit and the reporting is limited to that extent.

We report that, during the year under review:

1. The status of the Company during the financial year has been that of a Listed Public Company.
2. The company has no Subsidiaries, associates and joint ventures during the period under review.
3. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Woman Director. Adequate notice is given to all directors to schedule the Board Meetings, and agenda and detailed notes on agenda are sent at least seven days in advance, a

system exists for seeking and obtaining further information and clarifications on the agenda items before the meetings and for meaningful participation at the meetings. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

4. The composition of the Board of Directors of the company is duly constituted.
5. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the code of Business Conduct & Ethics for Directors and Management Personnel.
6. The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings/debenture holdings and directorships in other companies and interests in other entities.
7. The Company has not advanced loans, given guarantees and provided securities to directors and/or persons or firms or companies in which directors were interested.
8. The company had invested in Shipnext solutions Private Limited and holds 1441550 equity shares aggregating to 9.69% holding in the shares.
9. The amount borrowed by the Company from its directors, members, bank(s)/ financial institution(s) and others were within the borrowing limits of the Company. Such borrowings were made by the Company in compliance with applicable laws.
10. The Company has not defaulted in the repayment of unsecured loans, facilities granted by bank(s)/ financial institution(s) or non-banking financial companies. The Company has not issued Debentures / collected Public Deposits.
11. The Company has created /modified or satisfied charges on the assets of the Company and complied with the applicable provisions of Companies Act 2013 and other Laws.
12. All registrations under the various States and Local Laws as applicable to the Company are valid.
13. The Company has not issued and allotted the securities during the period under scrutiny, however the company has allotted 900 fully paid up equity shares to a share holder Mrs. Wahida Begum G pursuant to annulment of forfeiture. Hence, the paid up capital of the company increase by Rs.9000.
14. The Company has not declared and paid dividends to its shareholders during the period under scrutiny.
15. The Company has not issued debentures and not accepted fixed deposits.
16. The Company has paid all its statutory dues and satisfactory arrangements have been made for arrears of any such dues.
17. The Company being a listed entity has complied with the provisions of the Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

18. The Company has provided a list of statutes in addition to the laws as mentioned above and it has been observed that there are proper systems in place to ensure compliance of all laws applicable to the company.

We further report that:

1. The Company has followed the Secretarial Standards issued by the Institute of Company Secretaries of India.
2. The Listing Agreement has been entered into by the Company with BSE Limited. The Company has complied with the provisions of Equity listing Agreements and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
3. The provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 are not applicable to the company during the year under review.
4. The Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 including the provisions with regard to disclosures and maintenance of records required under the Regulations.
5. The provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 are not applicable for the company during the period under scrutiny.
6. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 with regard to grant of Stock Options and implementation of the Schemes are not applicable for the company during the period under scrutiny.
7. The provisions of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 are not applicable for the company during the period under scrutiny.
8. The Company has complied with the provisions of the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.
9. The provisions of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 with regard to buy back of Equity Shares are not applicable for the Company during the period under scrutiny.
10. The Company has complied with the provisions of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 including the provisions with regard to disclosures and maintenance of records required under the Regulations;
11. The Company had complied with the provisions of The Competition Act, 2002 with regard to prohibition of anti-competitive agreements, abuse of dominance and ensuring of competition advocacy. As per the verification, the Company is ensuring fair competition in the market among its competitors.
12. The Company has not received any Investor Complaints under Regulation 13 of Securities Exchange Board of India ((Listing Obligations and Disclosure Requirements) Regulations, 2015.

13. The Company is not required to submit the Corporate Governance Report as required under the Regulation 27(2) of Securities Exchange Board Of India ((Listing Obligations and Disclosure Requirements) Regulations, 2015 as the Company's paid up equity share capital not exceeding Rupees Ten Crores and net worth not exceeding Rupees Twenty Five Crores as on the last day of Previous Financial Year.

We further report that:

The compliance with regard to the following Acts is pointed out below:

1. The Factories Act, 1948
 - a. Factory license is valid up to 31/12/2026
 - b. Statutory registers as per Factories Act has been maintained.
2. The Competition Act 2002

Overall Compliance under the Act complied by the Company.
3. The Kerala Panchayat Raj Act 1994.
 - a. The Panchayati Raj License is valid upto 31/03/2026
 - b. The License to Dangerous and Offensive Trades is valid as on date and the Company has complied with the provisions of this Act. Necessary steps were taken by the Company for renewing all the Licenses during the period under review.
4. Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013
 - a. The Company has a Policy and has constituted a committee against the Sexual Harassment of Women at Work Place and the policy has been published in the website of the company.
 - b. As per the information and records available from the Company there were no complaints during the financial year in this regard and the Company ensures protection to the women employees.
5. The Petroleum Act, 1934
 - a. Overall Compliance under the Act complied by the Company.
 - b. The Company has obtained a valid license from the Petroleum & explosives safety organization and the license is valid up to 31/12/2026.
6. The Rubber Act 1947
 - a. Overall Compliance under the Act complied by the Company.
 - b. The License from Rubber Board for acquisition and sale is valid till 31/03/2028
7. The Company has obtained integrated consent to operate license from Kerala State Pollution Control Board and the same is valid up to 30/06/2028.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

CS N.BALASUBRAMANIAN

DESIGNATED PARTNER

BVR & ASSOCIATES COMPANY SECRETARIES LLP

MEMBERSHIP NUMBER: F6439

CERTIFICATE OF PRACTICE NO: 4996

UDIN: F006439H000517136

PEER REVIEW NUMBER: P2010KE020500

Place: Ernakulam

Date: 28.05.2026

‘ANNEXURE’

To

The Members

EASTERN TREADS LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records.
3. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the Management representation about the Compliance of Laws, Rules and Regulations and happening of events etc.
6. The Compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

CS N.BALASUBRAMANIAN

DESIGNATED PARTNER

BVR & ASSOCIATES COMPANY SECRETARIES LLP

MEMBERSHIP NUMBER: F6439

CERTIFICATE OF PRACTICE NO: 4996

UDIN: F006439H000517136

PEER REVIEW NUMBER: P2010KE020500

Place: Ernakulam

Date : 28.05.2026

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Developments

The tyre tread manufacturing industry forms an integral part of the global tyre value chain, supplying tread rubber for both original equipment manufacturer (OEM) tyres and the retreading market. In India, the industry plays a crucial role in the automotive sector. Demand for tyre tread products is primarily driven by growth in the automotive sector, expansion of commercial transportation, increasing replacement tyre demand, and the rising adoption of tyre retreading as a cost-effective and environmentally sustainable solution. Key segments of the Treads industry includes Commercial Vehicles (CV), Passenger Vehicles (PV) and Two-wheeler segment (TW). The CV segment remains dominant due to high demand for retreaded tyres in freight and logistics whereas the PV segment is emerging as a result of increased vehicle ownership and a focus on cost-saving measures by consumers. The TW segment includes both scooters and motorcycles, with a focus on cost-effective solutions for a rapidly growing segment.

Tyres plays a crucial role in ensuring vehicle safety and performance, making them an essential component of the automotive ecosystem. In recent years, the market has witnessed several key drivers that have propelled its growth. With the rising disposable income and growing middle-class population, there has been a surge in demand for passenger and commercial vehicles. This has directly translated into increased demand for tyres. Additionally, government initiatives such as "Make in India" and the push for electric vehicles have further contributed to the market's growth.

The Indian tyre Market is experiencing robust growth of 8.71% CAGR during the forecast period 2023-2030 and is projected to reach USD 25.50 billion by FY2031 from USD 13.11 billion in FY2026 mainly owing to the rapidly growing automotive industry in the country. The market was valued at USD 14.45 billion in 2025.

The Indian Retread Tyre Market is anticipated to register a CAGR of 5.10% during 2026–2034. The market was valued at USD 1.30 billion in 2026 and is projected to reach USD 2.07 billion by 2034. Retread tyres play a crucial role in India's cost-sensitive and high-usage transportation ecosystem, offering fleet operators a significantly lower cost-per-kilometer compared to new tyres. India's commercial vehicle sector, which accounts for more than 40% of total fuel consumption and logistics movement, continues to rely heavily on retread solutions to control operating expenses. A retread tyre typically costs 40–55% less than a new tyre while delivering up to 80% of original tread life when applied correctly.

The key drivers to the market include rising vehicle numbers, technological innovations, cost-saving preferences, and regulatory support for sustainable practices. The industry is influenced by government policies on waste management and recycling, as well as automotive safety standards. Innovations in retreading technology, including improved materials and processes, enhance the performance and durability of retreaded tyres. Another important driver is the focus on road infrastructure development.

Domestic tyre demand growth is estimated at 6-8% in FY2026 driven by stable replacement demand. Original equipment (OE) growth is estimated to be driven by two-wheelers (TWs), while commercial vehicle (CV) and passenger vehicle (PV) segments are likely to clock a modest, low single-digit growth.

The tread manufacturing industry is facing a rapidly changing global business environment, with geopolitical conflicts, supply-chain disruptions, rising raw-material prices, and increasing transportation costs creating significant challenges for manufacturers. Wars and international tensions have disrupted established trade routes and affected the smooth movement of raw materials across countries. In India, fluctuations in crude oil availability and petroleum-based raw materials have added further uncertainty to production costs, particularly for synthetic rubber and other chemical-based inputs. At the same time, the prices of natural rubber, synthetic rubber, carbon black, chemicals, energy, and other essential materials continue to place pressure on manufacturing expenses. Logistics has become another major concern, as higher fuel costs, container shortages, port congestion, longer shipping routes, and increased freight charges have made both domestic and international transportation more expensive. These challenges are forcing tread manufacturers to improve supply-chain planning, explore alternative sources of raw materials, optimize production costs, and build greater flexibility and resilience to remain competitive in the global market.

Our Country's freight transportation sector is rapidly expanding to satisfy the rising demand for goods among a growing consumer base. Currently, road transport, mainly through trucks, dominates the movement of goods, handling 67% of domestic freight. Heavy and medium trucks are central to this system. As road freight continues to grow, the truck fleet is expected to increase to approximately 17 million by 2050. This growth will also drive up demand for tyres in both the Original Equipment Manufacturer (OEM) and replacement markets.

Adoption of newer technologies such as improved vulcanization processes and high-performance tread compounds is on the rise. These advancements are aimed at enhancing the durability and performance of retreaded tyres. Increased use of automation in production lines and digital tools for quality control and inventory management are improving operational efficiencies. There is a growing emphasis on environmental sustainability, with companies adopting more eco-friendly materials and processes. The government is also encouraging recycling and waste management practices.

Currently, 60% of truck and bus tyres are radial, and this trend is steadily increasing. Radial tyres are stronger and can support multiple retreads. Additionally, there is a growing demand in the retreading sector from bus owners seeking high-quality retreads.

Natural rubber makes up over 30% of the raw material mix, with carbon black at 25%, synthetic rubber at 20%, nylon tyre cord fabric at 10%, and other rubber chemicals making up the rest. Since many of these inputs are derived from crude oil, their prices generally follow oil price trends, though with some delay, in addition to being influenced by their own supply and demand conditions.

The tread manufacturing industry in India is poised for growth in FY 26-27, driven by technological advancements, increased market demand, and supportive regulatory frameworks. Companies are adapting to the evolving market landscape through innovation, strategic expansion, and a focus on sustainability. Despite facing challenges such as raw material costs and regulatory compliance, the industry is well-positioned to capitalize on emerging opportunities and continue its growth trajectory.

Opportunities and Threats

Opportunities

- *Rising Demand for Automobiles:* India's automobile demand increased significantly in FY 2025–26, supported by strong economic growth. India's real GDP grew by 7.6% during the year, indicating continued expansion in economic activity and consumer demand. The growth in passenger vehicles, commercial vehicles and two-wheelers has also increased the need for replacement tyres. Retread tyres help meet this demand by extending the life of used tyres at a lower cost than new tyres, while reducing operating costs and conserving raw materials. Thus, rising GDP and automobile demand are creating greater opportunities for India's tyre-retreading industry.
- *Cost-Effectiveness:* Retreaded tyres offer a cost-effective alternative to new tyres, making them attractive to budget-conscious consumers and businesses.
- *Environmental Sustainability:* Retreading helps in reducing tire waste and the environmental impact associated with tyre disposal. This aligns with growing environmental concerns and regulations. Further the industry can capitalize on its eco-friendly image by emphasizing its role in recycling and waste reduction.
- *Regulatory Support:* Evolving regulations that promote environmental sustainability and recycling can create a more favorable business environment for retreading companies.
- *Infrastructure Development:* India has the second largest road network in the world. With the government's focus on infrastructure development, the demand for vehicles is likely to increase, driving the demand for tyres. This enhances connectivity and boost economic activity, leading to increased tyre sales and replacement demand.

Threats

- *Volatility in Raw material Cost:* Fluctuations in the prices of key raw materials, such as rubber can impact production costs and profit margins for of Treads.
- *Intense Competition:* The industry faces competition from both domestic and international manufacturers, which can put pressure on prices and margins.
- *Meeting ESG standards :* The industry faces significant challenge in meeting Environmental, Social and Governance (ESG) Standards, particularly with Europe accepting ESG- Compliant companies. This shift towards sustainability and responsible business practices requires tyre manufacturers to adapt their operations, supply chains and products to meet the stringent ESG criteria. Non compliance may lead to exclusion from key markets, impacting exports and revenue.
- *Technological Risks:* Rapid technological advancements in tyre manufacturing and retreading could render existing technologies obsolete or less competitive. Significant investment in new technology and equipment may be required to stay competitive, posing a financial risk. Alternative technologies, such as airless tyres, could potentially reduce the demand for retreaded tyres.

Segment-wise or product-wise Performance

The Company manufactures Pre cured tread rubber, Conventional Tread Rubber, Black Vulcanizing Cement and Bonding Gum. The contribution of these products to the current year's turnover is 48.74 %, 27.66%, 13.21%, and 10.39% respectively.

Outlook

With the increased competition in Tyre and related industries, the companies in this sector are slowly moving from product offering companies to service offering companies. This helps the customers to get better services of the product and improves efficiencies. The companies are able to get long-term relationships and usage of high end efficient products, which due to cost escalations customers are unable to afford. This also helps tyre related industries to offer service which the unorganized sector is unable to offer, thereby improving the market penetrations and helping customers building trust on the products. Our company has also taken various initiatives to place our brand as a cost effective service provider, with high quality products and services to fleet, based on cost per kilometer approach.

We are on the path to build comprehensive and industry leading capabilities that would generate long term opportunities in India and worldwide. With an increasing distribution presence and high quality products and services, the company is hopeful of enhancing its share of the various markets it addresses. Our main objective is to become a one-stop shop for our customers' requirements and deliver substantial economic returns to their businesses.

Over the years, our company has invested aggressively in educating and growing the market, benefits of which will be seen in the medium to long term. We have achieved Pan-India presence with an extensive network and are further expanding our distribution footprint. We also have presence in overseas markets, catering to higher global demand for tread rubber. All these initiatives are expected to give ETL the platform from which we can achieve success in expanding our business.

During the FY 2025-26 we have marked our presence in global markets such as United States, Mexico and South Africa. New investments were carried out to improve the quality, consistency and reduced cost of operations. The company further invested in new moulds for fresh patterns to cater domestic and export markets.

Risks and Concerns

Risks and opportunities are inevitable and inseparable components of all businesses. The Company's Directors and management take proactive decisions to protect stakeholder interests. The Company has in place a Risk Management Policy covering risk, risk exposure, potential impact and risk mitigation process. Major risks identified by the business and functions are systematically addressed through mitigating actions on continuing basis. These are monitored and reviewed by the board. Various departmental heads meet regularly to identify processes which are exposed to risks.

The board, periodically reviews the risks in the organization, identifies new risk areas, develops action plans and monitors and reports any deviations if any, from the policy.

The Company's performance primarily depends on the performance of the tyre replacement market. This market has several growth levers like growth of the economy, development of infrastructure, commercial vehicle sales and other trends relating to the transportation sector. The Company's Board of Directors perceives the following risks as current high risks areas:

Financial Risk

In the course of our business activities, financial risks may arise from changes in interest rates, exchange rates, raw material prices, or share and fund prices. The financial risks are managed in accordance with the risk management policy/practices. We use cash and carry, advance payments and bank guarantees to mitigate credit risk on account of material supplied to customers and payments received. There is an ongoing follow-up, which arrests any delay of payments from customers.

Fluctuation in Raw Material Price and Other Input Costs

Risks can arise due to unexpected changes in commodity prices, which are following the global move can impact margins. We purchase a variety of raw materials and products, which we use in our production. Major risks could arise from a few raw materials, which we use such as Natural Rubber, Synthetic Rubber and Carbon Black. The Company manages this by actively managing the sourcing and private purchases.

As we import many categories of products, we are also exposed to foreign currency fluctuation, which could lead to a significant fluctuation in these raw material costs. We have maintained raw material inventories to mitigate this risk, which adversely impacted working capital and put pressure on interest costs. We generally factor in normal variations of raw material prices and input costs when fixing product prices with customer but any exceptional fluctuations in input costs combined with market pricing patterns may have an adverse impact on profitability.

Changes in Governments' Policies

Unanticipated changes in Government policies may affect the company's financial position.

Operational Risk

Preventive maintenance is carried out periodically to achieve increased machine availability. Adequate inventory of stocks at each stage of operation is maintained to run production schedules uninterrupted.

Product Risk

Research and development efforts are undertaken to continuously develop new products categories and expand the portfolio, along with improved service and value to our customers.

Internal Control System and their Adequacy

The company has implemented suitable controls to ensure the achievement of its operational, compliance and reporting objectives. The Company has adequate policies and procedures in place for its current size as well as the future growing needs. The Company has a well-defined and structured internal control mechanism,

commensurate with the size and nature of the business and complexity of its operations. Internal audit is conducted periodically to provide comprehensive risk-based combined assurance plan.

These policies and procedures play a pivotal role in the deployment of the internal controls. They are regularly reviewed to ensure both relevance and comprehensiveness, and compliance is ingrained into the management review process. The company follows stringent procedures to ensure accuracy in financial information recording, asset safeguarding from unauthorised use, and compliance with statutes and laws. All employees adhere to high standards of ethical conduct inspired by formally stated and regularly communicated policies.

The internal control is supplemented by an extensive audit by internal and external audit teams and periodic review by the top management, Audit Committee and Board of Directors. The Audit Committee reviews the adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations. During the year, the Company has taken steps to review the adequacy and operating effectiveness of internal controls.

Nonetheless, your Company recognises that any internal control framework, no matter how well designed, has inherent limitations and accordingly, regular audits and review processes ensure that such systems are reinforced on an ongoing basis. The statutory auditors, as part of their audit process, carry out a systems and process audit to ensure that the ERP and other IT systems used for transaction processing have adequate internal controls embedded to ensure preventive and detective controls.

During the period, external agencies were appointed as internal auditors. The internal audit reports were reviewed quarterly by Audit Committee as well as by the Board. Internal audit supports in assessment of Internal Control Systems and identification of other important issues as a powerful tool for risk control and governance. The system has designed to adequately ensure the reliability of financial and other records for preparing financial information and other data and for maintaining accountability of our assets. Further, the Board reviews the effectiveness of the Company's internal control system. Further Secretarial Audit is applicable for the company and the auditors evaluates legal and compliance issues.

The Directors and Management confirm that the Internal Financial Controls (IFC) are adequate with respect to the operations of the Company, evaluations and reinforcement actions were taken for better controls. The external auditors have evaluated the system of internal controls in the Company and have reported that the same is adequate and commensurate with the size of the Company and the nature of its business. A report of Auditors pursuant to Section 143(3)(i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Controls is annexed with the Auditors report.

Operational Performance

Besides the products for trucks and busses which are the major customer for the Company as well as competitors we have also developed specialised compound formulation for the growing LCVs, cars and two wheeler markets.. With the mining industry opening up, the Company which is dominant in this sector hopes to get good growth opportunities. With the reduction in Chinese low cost tyres in the market the demand for retreaded tyres is also expected to grow further.

With the demand for services over products growing up, most of the tyre manufactures have started offering tyre management services for various fleets. Our company has also started supporting some of those tyre manufacturers who do not have retreading business in retreading their one time used tyres. Besides this the Company has its own fleet management service for selected customers with pay-per kilometre model.

Financial Performance

Overall, the financial performance has improved from loss of Rs.(313) lakhs in FY 2024-25 to profit of Rs.16 lakhs in FY 2025-26. This has significantly improved the cash from operations to Rs.240 lakhs in FY 2025-26 from Rs.46 lakhs in FY 2024-25. Also the company has increased investments in capital assets during the FY 2025-26 which will result in better operational performance in the coming years.

The Company continues to undertake cost saving initiatives and is moving into more profitable areas of business, based on higher value-addition to customers.

Significant financial highlights in Financial Year 2025-26 are as follows;

Revenue

Total Revenue reported Rs. 6275.95 lakhs compared to the previous year's figure of Rs.6062.56 lakhs. Revenue has increased by 3.5%. Revenue increased due to increase in export during the financial year.

Earnings Before interest, Tax, Depreciation and Amortization (EBITDA)

During the financial year 2025-26 EBITDA has increased to Rs. 113.3 lakhs when compared to the previous year's figure of Rs. (48.44) lakhs.

Profit Before Tax (PBT)

PBT stood at Rs.(199.21) lakhs in the current financial year compared with Rs. (378.41) lakhs in the previous financial year

Profit After Tax (PAT)

PAT stood at Rs.8.56 lakhs in FY 2025-26 as compared to Rs. (303) lakhs in the previous FY 2024-25.

Earnings Per Share (EPS)

EPS in FY 2025-26 increased to Rs. (0.16) from Rs. (5.79) in previous FY 2024-25.

Key Financial Ratios

Key financial ratios, are as given in Note No. 39 of the Financial Statement.

Human Resource Development and Industrial Relations

The Company recognises that a committed, empowered and thinking team is the most important asset to maintain the company's progress and to retain its leadership position in the industry. Development and retention of talent, providing employees with cross functional experiences, extending enriched learning, an array of awards

and recognition programme, and supporting personal and professional aspirations are some leading HR practices being followed at the Company. Hiring of apt talent and ensuring role optimization to improve efficiencies has been a key focus area. The Company recognizes the need for change management and talent management throughout the business and their criticality to its future growth and success as any other element of its commercial strategy.

We pursue management practices designed to enrich the quality of life of our employees, developing their potential and maximizing their productivity. Cordial and harmonious relationship is maintained between the management and employees at every location. We continue to organize various training programs with experts engaged to interact with our employees at various levels. A significant emphasis is placed on training personnel, increasing their skill levels, and fostering ongoing employee engagement and recognition with a holistic development perspective. In addition to casual workers, the company had 179 permanent employees as on March 31, 2026.

Cautionary Statement

Statements in this Annual Report, particularly those that relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

Important factors that could influence the Company's operations include economic developments within the country, global and domestic demand and supply conditions in the industry, input prices, changes in Government regulations, tax laws and other factors such as litigation and industrial relations. The Company assumes no responsibility in respect of the forward-looking statements, which may undergo changes in future on the basis of subsequent developments, information or events.

For and on behalf of the Board of Directors

Sd/-

Ernakulam
14.08.2026

Navas Meeran
Chairman & Managing Director
DIN: 00128692

INDEPENDENT AUDITORS' REPORT

To the Members of Eastern Treads Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Eastern Treads Limited ('the Company'), which comprise the standalone Balance Sheet as at March 31, 2026, the standalone Statement of Profit and Loss (including other comprehensive income), the standalone Statement of Changes in Equity and the standalone Statement of Cash flows for the year then ended and the notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us the aforesaid standalone financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standard of Auditing (SAs) specified under section 143(10) of the Act. Our responsibility under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder and we have fulfilled our ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matter is a matter that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be key audit matter to be communicated in our report.

Key Audit Matter	Auditor's Response
1. Valuation of Inventory The net carrying value of inventory held by the Company as on 31 March 2026 amounts to ₹ 611.78 lakhs as disclosed in note 8 to accompanying standalone financial statements, which is 17.33% of total assets of the company as on that date. Further, refer to note 1.15 for accounting policies relating to valuation of inventory adopted by the management in accordance with Ind AS 2, Inventories ('Ind AS 2'). Inventories are valued at the lower of cost and net realisable value item wise. Cost includes costs incurred in bringing the inventory to its present location and condition as further detailed below:	Our audit procedures in relation to valuation of inventory included, but were not limited to, the following: • Evaluated the design and implementation, and tested the operating effectiveness of key internal controls over measurement of inventory balances as at year end. • Assessed the appropriateness of the principles used in the valuation of inventory in accordance with the requirements of Ind AS 2. • Tested, on a sample basis, the accuracy of cost computed for raw material inventory by verifying the actual costs of latest purchase of raw materials applying the principle of FIFO method, by inspection of supporting documents
i) Raw Materials Cost includes cost of purchase net of duties and taxes that are recoverable from the government and other costs incurred in bringing the inventories to their present location and condition. Cost is determined basis using first-in, first-out ('FIFO') method of computation. ii) Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads determined based on the normal operating capacity. Cost is determined using weighted average method of computation	• Tested, on a sample basis, the accuracy of cost computed for work-in-progress and finished goods inventory by recomputing the weighted average cost computation. Further, in the process, tested the cost of direct materials used as per bills-of-material (BOM), and allocation of labour and manufacturing overheads to such finished goods; • Obtained management working of valuation of inventory and reconciled the quantities with the stock verification reports to ensure completeness of the underlying data on which valuation is performed by the management and tested the mathematical accuracy of such workings.
Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The management also identifies slow-moving, obsolete and damaged inventory on a periodical basis and makes an appropriate provision for obsolescence for such items as at reporting date.	• Recomputed the overall allocation computation of overheads on inventory and ensured consistency of assumptions used therein by the management with prior periods. • Tested, on sample basis, the inventory ageing report and net realisable value of inventories basis the latest market prices of the products. • Evaluated the process followed by the management

The aforesaid inventory valuation and estimation of provision for obsolescence is manually performed by the management on the reporting date and involve significant estimates and judgements Considering the size, the assumptions used in the valuation and the complexities involved significant auditor attention is required to test accuracy of inventory valuation, and thus, we have identified valuation of inventory as a key audit matter in the current year audit.	for identification of slow-moving, obsolete and damaged inventory items and accordingly assessed reasonableness of provision for obsolescence estimated by the Company. • Evaluated the appropriateness and adequacy of disclosures presented by the management relating to inventory balances in the standalone financial statements in accordance with applicable financial reporting framework.
2. Trade Receivables The total balance of trade receivable for the year ended 31 March 2026 is ₹ 1277.11 lakhs net of provision of ₹ 48.26 lakhs as disclosed in note No 4, to accompanying standalone financial statements, which is 36.18% of total assets of the company as on that date. Further, refer to note 1.17(d) for accounting policies relating to valuation of trade receivables adopted by the management in accordance with Ind AS 109, Financial Instruments ('Ind AS 109'). For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. The Company assesses impairment of trade	Our audit procedures included, amongst others: • Obtaining an understanding of the methodology adopted by management for estimating Expected Credit Loss and assessing its compliance with the requirements of Ind AS 109. • Evaluating the design and implementation of key controls relating to the impairment assessment of trade receivables. • Assessing the reasonableness of the assumptions and judgements applied by management in determining the Probability of Default (PD) and Loss Given Default (LGD) parameters underlying the provision matrix. • Evaluating the basis adopted by management for categorising receivables based on ageing, security coverage and legal recovery status and assessing whether such categorisation was consistently applied. • Sought external confirmations from a selected sample of debtors. • Testing, on a sample basis, the accuracy and completeness of the data used in the ECL computation, including ageing reports and supporting documentation. • Verifying the mathematical accuracy of the ECL calculations and the application of provision rates to the respective categories of receivables. • Assessing the adequacy of the related disclosures in

receivables using the Expected Credit Loss (“ECL”) model prescribed under Ind AS 109 Financial Instruments. The ECL provision is determined using a provision matrix developed by management based on factors such as ageing of receivables, security coverage, status of legal recovery proceedings, historical collection experience and expected recoverability. The determination of provision rates involves significant management judgement in estimating the Probability of Default (“PD”) and Loss Given Default (“LGD”) applicable to different categories of receivables. Changes in these assumptions could have a material impact on the impairment provision recognised in the standalone financial statements. Accordingly, the impairment assessment of trade receivables required significant auditor attention.	the standalone financial statements.
3. Redeemable Preference shares During the year, the Company extended the tenure of its Redeemable Preference Shares by three years. Management evaluated the modification in accordance with the requirements of Ind AS 109 Financial Instruments and concluded that the change constituted a substantial modification, resulting in the derecognition of the existing financial liability and recognition of a new liability at fair value. Consequently, the Company recognised a gain of 2.05 crores in the Statement of Profit and Loss, representing the difference between the carrying amount of the original liability and the fair value of the modified liability. The accounting treatment involved significant management judgement in assessing whether the modification was substantial and in determining the fair value of the modified liability. Changes in these assessments could have a material impact on the standalone financial statements. Accordingly, this matter required significant auditor attention.	Our audit procedures included, among others: • Obtained and examined the resolutions, agreements and other supporting documents relating to the extension of the tenure of the Redeemable Preference Shares. • Evaluated management’s assessment of whether the modification constituted a substantial modification under the requirements of Ind AS 109. • Assessed the methodology, assumptions and calculations used by management in determining the fair value of the modified liability. • Verified the accounting treatment adopted for derecognition of the existing liability and recognition of the new liability. • Recomputed the computation of the gain arising on extinguishment and the subsequent finance cost recognised over the revised tenure. • Assessed the adequacy of the disclosures made in the financial statements in respect of the modification, extinguishment accounting and the resulting impact on the Statement of Profit and Loss.

Other Information

- The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the standalone financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matters to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibilities for the standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, and cash flows and changes in equity of the Company in accordance with the IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted

in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the company to express an opinion on the standalone financial statements.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of atmost significance in the audit of standalone financial statements of the current year and are therefore the key audit matter. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- A. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- B. As required by Section 143 (3) of the Act, based on our audit we report that:
1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 2. In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
 3. The company has branch offices; however, the accounts of the branches are maintained at the Head Office / Registered Office of the company and are included in the books of accounts audited by us. Accordingly, the provisions of Section 143(8) relating to appointment of branch auditors are not applicable.
 4. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash flows dealt with by this Report are in agreement with the books of account.
 5. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 6. On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
 7. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- 8 In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V to the Act.
- 9 With respect to the matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
- i. The Company, as detailed in note 31 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2026.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2026;
 - iii. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under the sub-clause (a) and (b) contain any material misstatement.
 - v. Since the Company has not declared or paid any dividend during the year, the question of commenting on whether dividend declared or paid is in accordance with Section 123 of the Companies Act, 2013 does not arise.
- C. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended 31 March 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For G Joseph & Associates

Chartered Accountants

Firm Reg. No. 006310S

Allen Joseph

Partner

M No. 228498

Place: Kochi

Date : 20-05-2026

UDIN: 26228498FLLUME2284

ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT IN TERMS OF SECTION 143(11) OF THE COMPANIES ACT, 2013

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property , Plant and Equipment. The Company has maintained proper records showing full particulars of intangible assets.
- b) As explained to us, the Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company. However, for title deeds of immovable properties in the nature of land situated at Kuttamangalam, Ernakulam with gross carrying values of ₹ 740.61 lakhs, which have been pledged as security for loans taken by the Company, confirmations with respect to title of the Company is based on relevant documentation from the bank.
- d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year
- e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed
- b) The Company has been sanctioned working capital limits in excess of ¹ 5 crore by banks or financial institutions on the basis of security of current assets. Subject to the differences mentioned in standalone financial statements Note no. 14(v), the quarterly returns/statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company for the respective periods.
- (iii) The company has not provided loans or advances in the nature of loans, or guarantee to companies or any other parties during the year.
- (iv) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not provided any loans, guarantees, securities to parties covered under section 185. The company has complied with the provisions of Section 186 as applicable.
- (v) To the best of our knowledge and according to the information and explanations given to us, the Company has not accepted any deposit during the year and no order in respect has been passed by the Company Law Board or National Company Law Tribunal or the Reserve Bank of India or any other Tribunals with regards to the Company.

- (vi) The provisions regarding maintenance of cost records under sub-section (1) of section 148 of the Companies Act are not applicable to the company.
- (vii) (a) According to the records of the Company and based on the information and explanations provided to us, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services Tax, Income Tax, Cess (to the extent applicable), and other material statutory dues with the appropriate authorities. There were no such undisputed statutory dues outstanding as at the last day of the financial year for a period exceeding six months from the date they became payable
- (b) There were no dues of Income tax, Goods and Service Tax , cess and other material statutory dues in arrears as at 31 March 2026 on account of disputes, except for the following:

Name of statute	Nature of dues	Gross Amount (In lakhs)	Period to which amount relates	Forum where dispute is pending
Income Tax, 1961	Income tax	190.34 Amount paid under protest - Nil	AY 2023-24	Commissioner of Income Tax (Appeals)
Income Tax, 1961	Income tax	1.16	AY 2011-12	Centralised Processing Centre

- (viii) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, there are no unrecorded income
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of records of the company, the company has not defaulted in repayment of loans or other borrowings or in payment of interest to financial institutions, banks, government and dues to debenture holders.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender
- (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the standalone financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary or associate.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiary or associate company

- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year
- (xii) The Company is not a Nidhi Company, therefore the provisions of clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) All transactions with related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details of such related party transactions have been suitably disclosed in the standalone financial statements as required under the applicable Ind-AS.
- (xiv) a) In our opinion and according to the information and explanation given to us, the company has an internal audit system commensurate with the size and nature of its business;
- b) The reports of the Internal Auditors for the period under audit were considered by the statutory auditor.
- (xv) Based on the audit procedures performed and the information and explanation given to us, we report that the company has not entered into any non-cash transactions with its directors/director of the company or associate company/a person connected with the directors during the year. Accordingly paragraph 3 (xv) of applicable to the company
- (xvi) a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, hence reporting under clause 3(xvi)(c) is not applicable to the Company
- d) According to the information and explanations provided by the management of the Company, the Company does not have any CICs as part of the Group. We have not, however, separately evaluated whether the information provided to us is accurate and complete.

- (xvii) The Company has incurred cash losses amounting to ₹ 90.42 lakhs in the current financial year and had incurred cash losses in the immediately preceding financial year amounting to ₹ 409.02 .
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly Clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) Based on the audit procedures performed and the information and explanation given to us, we report that the company has no liability to maintain fund according to the provision of section 135 of Companies Act , 2013

For G Joseph & Associates
Chartered Accountants

Firm Reg. No. 006310S

Allen Joseph

Partner

M No. 228498

Place: Kochi

Date : 20-05-2026

UDIN: 26228498FLLUME2284

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF EASTERN TREADS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Eastern Treads Limited (“the Company”) as of 31st March, 2026 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “guidance note”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2026 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For G Joseph & Associates

Chartered Accountants

Firm Reg. No. 006310S

Allen Joseph

Partner

M No. 228498

Place: Kochi

Date : 20-05-2026

UDIN: 26228498FLLUME2284

Standalone Balance Sheet as at 31st March 2026

(All amounts are in ₹ lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
(a) Property, plant and equipment	2	1,239.38	1,215.41
(b) Capital work-in-progress	2	137.83	16.21
(c) Other Intangible assets	3	12.45	11.39
(d) Financial assets			
(i) Trade receivables	4	-	0.35
(ii) Investment	5	3.61	-
(iii) Other financial assets	6	39.22	38.46
(e) Other non-current assets	7	4.68	17.46
Total Non Current Assets (I)		1,437.18	1,299.28
Current assets			
(a) Inventories	8	611.78	587.42
(b) Financial assets			
(i) Trade receivables	4	1,277.11	1,176.31
(ii) Cash and cash equivalents	9	56.42	97.61
(iii) Bank balances other than (ii) above	10	40.01	22.67
(iv) Loans	5	-	0.50
(v) Other financial assets	6	5.50	2.56
(c) Current tax assets (net)		2.95	27.93
(d) Other current assets	7	61.93	87.47
(e) Assets held for Sale	11	36.85	68.85
Total Current Assets (II)		2,092.55	2,071.32
Total assets (I+II)		3,529.73	3,370.60
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	541.23	541.18
(b) Other equity	13	(1,803.65)	(1,820.02)
Total Equity (I)		(1,262.42)	(1,278.84)
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	1,033.95	611.11
(b) Provisions	16	128.86	109.64
(c) Deferred tax liabilities (net)	17	73.15	73.14
Total Non Current Liabilities (II)		1,235.96	793.89
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	2,275.70	2,722.70
(ii) Trade payables	19		
(A) total outstanding dues of micro and small enterprises		124.80	70.68
(B) total outstanding dues of creditors other than micro and small enterprises		939.37	831.57
(iii) Other financial liabilities	15	57.67	45.69
(b) Other current liabilities	18	148.08	151.03
(c) Provisions	16	10.57	33.88
Total Current Liabilities (III)		3,556.19	3,855.55
Total equity and liabilities (I+II+III)		3,529.73	3,370.60

See accompanying notes forming part of these standalone financial statements.

As per our audit report of even date.

For **G. Joseph & Associates**

Chartered Accountants

(Reg No: 006310S)

For and on behalf of the Board of Directors of
Eastern Treads Limited

Allen Joseph

Partner

M No 228498

Navas Meeran

Chairman & Managing Director

DIN : 00128692

Devarajan Krishnan

Whole Time Director &

Chief Financial Officer

DIN : 11240487

Kochi

Date : 20th May 2026

Abil Anil

Company Secretary

Standalone Profit and Loss for the year ended 31st March 2026

(All amounts are in ₹ lakhs, unless otherwise stated)

Particulars	Note	Year ended 31 March 2026	Year ended 31 March 2025
I Income			
Revenue from operations	20	6,241.11	6,023.29
Other income	21	34.84	39.27
Total income (I)		6,275.95	6,062.56
II Expenses			
Cost of materials consumed	22	4,074.91	4,216.29
Purchases of stock-in-trade		2.10	5.40
Changes in stock of finished goods, work-in-progress and stock-in-trade	23	2.71	65.80
Employee benefits expense	24	870.34	899.93
Finance costs	25	238.22	246.04
Depreciation and amortisation expense	26	74.29	83.93
Other expenses	27	1,212.59	923.58
Total expenses (II)		6,475.16	6,440.97
III Profit/(Loss) before exceptional items and tax (I-II)		(199.21)	(378.41)
IV Exceptional Items -			
Gain on extinguishment of Financial Liabilities	28	205.03	-
Total exceptional item (IV)		205.03	-
V Profit/(Loss) before tax (III-IV)		5.82	(378.41)
VI Tax expense			
Deferred tax	36	(2.74)	(75.29)
Total tax expense (VI)		(2.74)	(75.29)
VII Profit/(Loss) for the period / year (V-VI)		8.56	(303.12)
VIII Other comprehensive income / (loss)			
A (i) Items that will not be reclassified to profit or loss:			
(a) Re-measurement loss in defined benefit plans		10.55	(9.45)
(ii) Income tax relating to items that will not be reclassified to profit and loss		(2.74)	-
B (i) Items that will be reclassified to profit or loss:		-	-
(ii) Income tax relating to items that will be reclassified to profit and loss		-	-
Other Comprehensive income / (loss)for the Period (VII)		7.81	(9.45)
IX Total comprehensive Income/(loss) for the period / year (VII+VIII)		16.37	(312.57)
Loss per equity share	29		
(1) Basic		0.15	(5.42)
(2) Diluted		0.15	(5.42)

See accompanying notes forming part of these standalone financial statements.

As per our audit report of even date.

For **G. Joseph & Associates**

Chartered Accountants

(Reg No: 006310S)

For and on behalf of the Board of Directors of
Eastern Treads Limited

Allen Joseph

Partner

M No 228498

Navas Meeran

Chairman & Managing Director

DIN : 00128692

Devarajan Krishnan

Whole Time Director &

Chief Financial Officer

DIN : 11240487

Kochi

Date : 20th May 2026

Abil Anil

Company Secretary

Standalone Statement of Cash flows for the year ended 31st March 2026

(All amounts are in ₹ lakhs, unless otherwise stated)

Particulars	Note	Year ended 31 March 2026	Year ended 31 March 2025
A Cash flow from operating activities			
Net Profit/(Loss) before tax		5.82	(378.41)
Adjustments for:			
Depreciation and amortisation expense		74.29	83.93
Finance costs		238.22	246.04
Provision for inventory		19.00	(2.46)
Foreign exchange (gain) / loss		(12.76)	0.15
Asset - Written Off		24.91	-
Provision for doubtful debts		(19.80)	(128.32)
Gain on extinguishment of Financial Liabilities		(205.03)	-
Loss /(Profit) on sale of Property, plant and equipment		(2.60)	-
Provision on employee benefits		18.32	13.78
Interest income		(3.20)	(3.36)
Provision for impairment		32.00	-
Operating profit before working capital changes		169.17	(168.65)
Adjustments for working capital changes:			
Decrease / (Increase) in inventories		(43.36)	129.76
Decrease /(Increase) in trade receivables		(67.89)	161.30
Decrease/(increase) in other receivables		23.17	(37.68)
(Increase)/Decrease in Provisions		(4.09)	13.24
Increase/(Decrease) in trade payables		161.81	(46.99)
Increase/(Decrease) in other current liabilities		1.26	(5.27)
Cash generated from operations		240.07	45.71
Net income tax paid			
Net cash (used in)/generated from operating activities (A)		240.07	45.71
B Cash flow from investing activities			
Payments for purchase of Property, plant and equipment (including capital advances)		(229.10)	(45.02)
Proceeds from sale of Property, plant and equipment		10.76	-
Movement in other bank balances		(17.34)	31.38
Investment in SIP		(3.61)	-
(Increase)/Decrease in Capital Advance		12.78	-
Investment in Leased assets		(0.77)	(2.40)
Interest received		3.20	3.36
Net cash used in investing activities (B)		(224.08)	(12.68)
C Cash flow from financing activities			
Repayment of long term borrowings		(200.49)	(94.02)
Short-term borrowings (net of repayments)		353.00	276.44
Proceeds from forfeited shares		0.05	-
Interest paid		(209.74)	(191.37)
Net cash generated from/ (used in) financing activities (C)		(57.18)	(8.95)
Net increase in cash and cash equivalents (A+B+C)		(41.19)	24.08
Cash and cash equivalents at the beginning of the year		97.61	73.53
Cash and cash equivalents at the end of the year		56.42	97.61

Components of cash and cash equivalents	Year ended 31 March 2026	Year ended 31 March 2025
Cash in hand	0.47	1.01
Balances with banks- in current accounts	55.95	96.60
Total	56.42	97.61

Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities

Particulars	As at 01 April 2025	Financing cash flows	Non-cash changes	As at 31st March 2026
Current Borrowings	2,722.70	353.00	(800.00)	2,275.70
Non-Current Borrowings (including current maturities)	611.11	(200.49)	623.33	1,033.95
Total	3,333.81	152.51	(176.67)	3,309.65

Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities

Particulars	As at 01 April 2024	Financing cash flows	Non-cash changes	As at 31st March 2025
Current Borrowings	2,346.26	376.44	-	2,722.70
Non-Current Borrowings (including current maturities)	750.46	(194.02)	54.67	611.11
Total	3,096.72	182.42	54.67	3,333.81

See accompanying notes forming part of these standalone financial statements.

As per our audit report of even date.

For **G. Joseph & Associates**

Chartered Accountants

(Reg No: 006310S)

**For and on behalf of the Board of Directors of
Eastern Treads Limited**

Allen Joseph

Partner

M No 228498

Navas Meeran

Chairman & Managing Director

DIN : 00128692

Devarajan Krishnan

Whole Time Director &

Chief Financial Officer

DIN :11240487

Kochi

Date : 20th May 2026

Abil Anil

Company Secretary

Statement of Changes in Equity for the period ended 31st March 2026

(All amounts are in ₹ lakhs, unless otherwise stated)

(A) EQUITY SHARE CAPITAL

(1) Current reporting period (as on March 31 2026)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
541.18	-	541.18	0.05	541.23

(2) Previous reporting period (as on March 31 2025)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting	Changes in equity share capital during the previous year	Balance at the end of the current reporting period
541.18	-	541.18	-	541.18

Details of shares held by Promoters

Shares held by the promoters and promoter group at the end of the year				
S/No	Promoter / Promoter Group	No. of shares	% of total shares	% of change during the year
Promoter				
1	KERALA STATE INDUSTRIAL DEVELOPMENT CORPORATION	615000	11.75	Nil
2	FIROZ MEERAN	1350550	25.81	Nil
3	M E MOHAMED	23500	0.45	Nil
4	NABEESA MEERAN	34000	0.65	Nil
5	NAVAS MEERAN	1353250	25.86	Nil
Promoter Group				
6	NIZA ZAKIR	48700	0.93	Nil
7	RIYA MOHAMED	700	0.01	Nil
8	SHAMEENA MOHAMED	1000	0.02	Nil
9	SOYAMOLANWAR SAJITH	0	0	Nil
		3426700	65.48	

(B) OTHER EQUITY**(1) Current reporting period (as on March 31 2026)**

Particulars	Reserves and surplus			Other items of OCI		Total
	Capital Redemption reserve	General reserve	Other Equity	Changes in Revaluation surplus	Remeasurement of defined benefit plans	
Balance at the beginning of the current reporting period	100.00	97.46	753.90	430.26	(85.75)	(1,820.02)
Changes in accounting policy/prior period errors						-
Restated balance at the beginning of the current reporting period						-
Profit for the year (net of taxes)						8.56
Other Comprehensive Income for the current year					7.81	7.81
Transfer to/from retained earnings						-
Balance at the end of the current reporting period	100.00	97.46	753.90	430.26	(77.94)	(1,803.65)

(2) Previous reporting period (as on March 31 2025)

Particulars	Reserves and surplus			Other items of OCI		Total
	Capital Redemption reserve	General reserve	Other Equity	Changes in Revaluation surplus	Remeasurement of defined benefit plans	
Balance at the beginning of the previous reporting period	100.00	97.46	753.90	430.26	(76.30)	(1,507.45)
Changes in accounting policy/prior period errors						-
Restated balance at the beginning of the previous reporting period						-
Profit for the year (net of taxes)						(303.12)
Other Comprehensive Income for the current year					(9.45)	(9.45)
Transfer to/from retained earnings						-
Balance at the end of the previous reporting period	100.00	97.46	753.90	430.26	(85.75)	(1,820.02)

See accompanying notes forming part of these standalone financial statements.
This is the Statement of Changes in Equity referred to in our report of even date.

For **G. Joseph & Associates**

Chartered Accountants
(Reg No: 006310S)

Allen Joseph
Partner
M No 228498

Kochi

Date : 20th May 2026

For and on behalf of the Board of Directors of
Eastern Treads Limited

Devarajan Krishnan
Whole Time Director & Chief Financial Officer
DIN : 11240487

Abil Anil
Company Secretary

Navas Meeran
Chairman & Managing Director
DIN : 00128692

Eastern Treads Limited**Company Information, Basis of Preparation, Measurement and Material Accounting Policies**

(All amounts are in ₹ lakhs, unless otherwise stated)

A) General Information:

Eastern Treads Limited (the 'Company'/'ETL') was incorporated with its registered office at 3A, 3rd Floor, Eastern Corporate Office, 34/137 E, NH Bypass, Edappally, Kochi, Ernakulam - 682 024, Kerala. The Company's shares are listed in Bombay Stock Exchange. The Company is primarily engaged in the business of manufacturing and dealing of tread rubber, rubber based adhesives, tyre retreading accessories and retreading services.

B) Basis of preparation

These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act 2013 (the 'Act'), read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

These financial statements have been prepared under the historical cost convention, on the accrual basis of accounting, except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The accounting policies have been applied consistently over all the periods presented in these financial statements except as mentioned below:

Previous year figures have been re-grouped/reclassified where necessary, to confirm with the current year presentation for the purpose of comparability.

Going Concern

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. 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.

Use of estimates and judgements

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the

related disclosures.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

Significant management judgements

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Classification of leases

The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialised nature of the leased asset.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry forward can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

Impairment of Financial Assets:

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets. In assessing impairment, management estimates the recoverable amount of each asset or cash generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

The Company impairs financial assets other than those measured at fair value through profit or loss or designated at fair value through other comprehensive income on expected credit losses. The estimation of expected credit loss includes the estimation of probability of default (PD), loss given default (LGD) and the exposure at default (EAD). Estimation of probability of default apart from involving trend analysis of past delinquency rates includes an estimation on forward-looking information relating to not only the counterparty but also relating to the industry and the economy as a whole. The probability of default is estimated for the entire life of the contract by estimating the cash flows that are likely to be received in default scenario. Further, the loss given default is calculated based on an estimate of the value of the security recoverable as on the reporting date. The exposure at default is the amount outstanding at the balance sheet date.

Allowance for credit losses on receivables: In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future.

Useful lives of depreciable / amortisable assets

Management reviews its estimate of the useful lives of depreciable / amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain items of property, plant and equipment.

Defined benefit obligation (DBO)

The cost of the defined benefit obligation and other postemployment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair Value Measurement of Financial Instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values

C) Application of new accounting pronouncements

The Company has applied the following Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2018. The effect is described below :-i. Effective 1 April 2019, the Company has adopted Ind AS 116 “Leases”, as notified by the Ministry of Corporate Affairs (MCA) in the Companies (Indian Accounting Standards) Amendment Rules, 2019 using modified retrospective method. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The application of Ind AS 116 did not have material impact on the Financial Statements.ii. The Company has adopted Ind AS 12 “Income Taxes” as per Appendix C to Ind AS 12. The amendment to Ind AS 12 requires the entities to consider recognition and measurement requirements when there is uncertainty over income tax treatments. The application of the amended provision to Ind AS 12 did not have material impact on the Financial Statements.iii. The Company has adopted Ind AS 23 “Borrowing Costs” as amended, which requires the entity to calculate and apply the capitalisation rate on general borrowings, if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale and that borrowing becomes part of the funds that entity borrows generally. This amendment is also did not have a material impact on the Financial Statements.

iv) Amendment to Ind AS 1 - Classification of liabilities as current:The amendment specifies the requirements for classifying liabilities as current or non-current in the balance sheet, and clarifies the following:i) An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. The classification of a

liability as current or noncurrent is unaffected by the likelihood that the entity will exercise its right to defer settlement. ii) If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period. iii) In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the financial statements of the Company. The Company do not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

v) **Amendment to Ind AS 21-Lack of exchangeability** The Amendments introduces requirement to assess when a currency is exchangeable into another currency and when it is not. The amendment requires an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. These amendments had no effect on the financial statements of the Company.

D) Material Accounting Policies

(i) Revenue recognition

The Company derives revenues primarily from sale of goods comprising of Precured Tread Rubber, Bonding Gum, Black Vulcanizing Rubber and Conventional Tread Rubber.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation. Revenue also excludes taxes collected from customers.

a) Sale of goods

Revenue from sale of goods is recognised when the control on the goods have been transferred to the customers. The Performance obligation in case of sale of goods is satisfied at a point of time, i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

b) Rendering of Services

Revenue from job work and retreading services are recognised at the completion of the agreed services.

c) Interest and other income

Interest income is reported on an accrual basis using the effective interest method and is included under the head "other income" in the Statement of Profit and Loss.

d) Lease Income

Lease income arising from operating leases is accounted for over the lease terms and is included in other operating revenue in the statement of profit or loss.

e) Export Incentives

Income from export incentives are recognised when the right to receive credit as per the terms of the Scheme is established and when there is certainty of realisation.

(ii) Leases

The company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

i. As a lessee

The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The company has elected not to recognise right-of-use assets and lease liabilities for shortterm leases of real estate properties that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Under Ind AS 17

Finance Lease

In the comparative period, leases are classified as Finance Lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the lease. All other leases are classified as Operating lease.

Operating Lease

In the comparative period, leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

ii. As a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

(iii) Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity and compensated absences. Expenses and liabilities in respect of employee benefits are recorded in accordance with Ind AS 19, Employee Benefits.

a) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

(b) Defined contribution plan

The Company has defined contribution plans for employees comprising of Provident Fund and Employee's State Insurance. The contributions paid/payable to these plans during the year are charged to the Statement of Profit and Loss for the year. Contributions to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

(c) Defined benefit plans

The Company has a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides a lump sum payment to employees who have completed five years or more of service at retirement, disability or termination of employment, being an amount based on the respective employee's last drawn salary and the number of years of employment with the Company. Presently the Company's gratuity plan is unfunded.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets if any. This cost is included in employee benefit expense in the statement of profit and loss.

The liability or asset recognised in the balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets if any. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and are never reclassified to profit or loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Service and interest cost on the Company's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost.

(iv) Foreign currency transactions

The functional currency of the Company is the Indian Rupee (INR). These financial statements are presented in INR (₹). In the financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction.

Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing

on the dates on which such values were determined.

All exchange differences are included in the statement of profit and loss except any exchange differences on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in the other comprehensive income.

(v) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(vi) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is treated as deferred income and released to the statement of profit and loss over the expected useful lives of the assets concerned. When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

(vii) Taxation

(a) Income tax

Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of

unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(viii) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by management.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in statement of profit and loss.

An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The Audit Committee and the Board of Directors of the Company at their respective meetings held on 31 March 2022 approved adoption of revaluation model as permitted by Ind AS 16 "Property, Plant and Equipment" for measurement of carrying value of the land owned by the Company. Fair valuation of the land

was carried out by a registered valuer and the fair value of land was estimated at Rs. 720.61 lakhs and consequent revaluation gain of Rs. 430.26 lakhs (net of tax) has been recognized in other comprehensive income, during the current quarter.

(ix) Capital work in progress

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed. Revenue generated from production during the trial period is credited to capital work in progress.

(x) Depreciation

Assets in the course of development or construction and freehold land are not depreciated. Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation on tangible assets has been provided under Straight Line Method over the useful life of the assets estimated by the management (determined based on technical estimates), which is in line with the terms prescribed in Schedule II to the Companies Act, 2013. Depreciation for assets purchased/sold during the year is proportionately charged.

The management estimates the useful life of the Property, Plant and Equipment as follows:

Asset Category	Useful Life
a) Buildings	30 Years
b) Roads - Non RCC	5 Years
c) Plant and machinery at Factory	7-15 Years
d) Plant and machinery at Branches	15 Years
e) Plant and machinery given for Lease	3-5 Years
f) Manufacturing tools	7 Years
g) Furniture and fixtures	10 Years
h) Computers	3 Years
i) Vehicles	8 Years
j) Office equipment	5 Years

The Company has evaluated the applicability of component accounting as prescribed under Ind AS 16 and Schedule II of the Companies Act, 2013. The management has not identified any significant component having different useful lives as the company's assets are not capable of being accounted separately as components. Schedule II requires the Company to identify and depreciate significant components with

different useful lives separately.

Note: The useful life of Plant and machinery given under lease is taken as 3 years to 5 years based on the lease agreements. The residual value of the same has been considered as the amount guaranteed by the lessees as per the lease agreements at the end of the lease period. Hence the useful lives and residual values for these assets are different from the useful lives/residual value as prescribed under Part C of Schedule II of the Companies Act 2013. The useful life of vehicles given to employees as per the car policy scheme approved by the Company is taken as 3 years to 5 years based on the tenure of scheme availed by the employee.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes in estimates, if any, are accounted for prospectively.

(xi) Intangible assets

Intangible assets are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortisation and impairment. Advances paid towards the acquisition of intangible assets outstanding at each Balance Sheet date are disclosed as other non-current assets and the cost of intangible assets not ready for their intended use before such date are disclosed as intangible assets under development.

The Company amortises intangible over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Asset Category	Useful lives (in years)
Computer software	5

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

The residual values, useful lives and methods of amortisation of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Non-current Assets Held for Sale

Non-current assets are classified as held for sale when their carrying amount will be recovered principally through a sale transaction rather than through continuing use and the criteria specified under Ind AS 105 are met.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Depreciation and amortisation on such assets cease from the date of classification as held for sale.

Non-current assets classified as held for sale are presented separately in the Balance Sheet.

(xii) Impairment of non - financial assets

The carrying amount of assets is reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss will be recognised wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing the value in use; the estimated future cash flows are discounted to the present value using the weighted average cost of capital.

(xiii) Inventories

Inventories are valued at the lower of cost and net realisable value item wise. Cost includes indirect costs incurred in bringing the inventory to its present location and condition are accounted for as follows:

(i) Raw materials: cost includes cost of purchase net of duties, taxes that are recoverable from the government and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis using weighted average rate.

(ii) Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(xiv) Provisions and Contingent Liabilities

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic

benefits is probable.

(xv) Financial instruments

A) Financial assets

a) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

b) Subsequent measurement

Subsequent measurement of financial assets is described below -

(i) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

(ii) Debt instrument at fair value through other comprehensive income (FVTOCI)

A debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent solely payments of principal and interest (SPPI).

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the Effective Interest Rate (EIR) method.

(iii) Debt instrument at Fair Value Through Profit or Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has designated its investments in debt instruments as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

c) Financial Assets - Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- 1) The rights to receive cash flows from the asset have expired, or
- 2) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement and either
 - a. the Company has transferred substantially all the risks and rewards of the asset, or
 - b. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(d) Impairment of financial assets

In accordance with Ind AS 109 Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- 1) **Financial assets measured as at amortised cost:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- 2) **Debt instruments measured at FVTPL:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. The change in fair value is taken to the statement of Profit and Loss.
- 3) **Debt instruments measured at FVTOCI:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

B) Financial liabilities –

a) Recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

The measurement of financial liabilities depends on their classification, as described below:

1) Financial liabilities at fair value through statement of profit and loss - Financial liabilities at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

2) Gains or losses on liabilities held for trading are recognised in the statement of profit and loss - Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

3) Liabilities designated as FVTPL - fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through statement of profit and loss.

b) Financial liabilities - Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognised in the statement of profit and loss.

C) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

a) Initial recognition and subsequent measurement

In order to hedge its exposure to foreign exchange, interest rate, and commodity price risks, the Company enters into forward, futures and other derivative financial instruments. The Company does not hold derivative financial instruments for speculative purposes.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative

contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to statement of profit and loss when the hedge item affects profit and loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- 1) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- 2) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

D) Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (hereinafter referred as EIR) method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(xvi) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or

- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels

- a) Level 1- Quoted prices (unadjusted) is the active market price for identical assets or liabilities
- b) Level 2 -Inputs other than quoted price included within level 1 that are observable for the assets or liability, either directly
- c) Level 3- Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(xvii) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the cash flow statement, cash and cash equivalents consist of cash and short-term deposits, as defined above.

(xviii) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Company is engaged in the business of manufacture and sale of tread rubber (pre-cured tread rubber, conventional tread), Rubber compounds, cushion/ bonding gum and black vulcanizing cement, which form broadly part of one product group and hence constitute a single business segment.

(xix) Earnings/ (Loss) per equity share (EPS)

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

2 Property, plant and equipment and Capital work-in progress

Gross carrying amount:

Particulars	Land - freehold	Buildings	Plant and machinery	Plant and machinery under lease	Furniture and fixtures	Office equipments	Computers	Vehicles	Manufacturing tools	Leased Assets	Total	Capital work in progress
Opening Balance at 1st April 2024	740.61	366.06	1,141.35	114.34	22.58	8.34	36.01	18.12	240.59	0.00	2,688.01	-
Additions	-	-	3.24	-	-	1.92	2.53	0.60	8.50	-	16.79	16.21
Transferred to Current Assets	-	-	-	-	-	-	-	-	-	-	-	-
Capitalised during the year	-	-	-	-	-	-	-	-	-	-	-	-
Asset classified as held for sale	-	-	-	(114.34)	-	-	-	-	-	-	(114.34)	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2025	740.61	366.06	1,144.59	-	22.58	10.26	38.54	18.72	249.09	0.00	2,590.46	16.21
Additions	-	-	67.06	-	-	0.48	0.59	18.24	16.74	-	103.11	134.66
Transferred to Current Assets	-	-	-	-	-	-	-	-	-	-	-	-
Capitalised during the year	-	-	-	-	-	-	-	-	-	-	-	-
Asset classified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	(13.46)	-	-	-	(0.62)	(13.00)	-	-	(27.08)	(13.04)
Balance as at 31st March 2026	740.61	366.06	1,198.19	-	22.58	10.74	38.51	23.96	265.83	0.00	2,666.49	137.83

Accumulated depreciation

Particulars	Land - freehold	Buildings	Plant and machinery	Plant and machinery under lease	Furniture and fixtures	Office equipments	Computers	Vehicles	Manufacturing tools	Leased Assets	Total	Capital work in progress
Opening Balance at 1st April 2024	-	111.04	905.77	45.49	17.96	4.73	31.06	6.74	215.15	-	1,337.93	-
Depreciation charge for the year	-	13.31	54.51	-	1.78	0.79	2.51	1.63	8.07	-	82.60	-
Asset classified as held for sale	-	-	-	-45.49	-	-	-	-	-	-	(45.49)	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2025	-	124.35	960.28	-	19.74	5.52	33.57	8.37	223.22	-	1,375.04	-
Depreciation charge for the year	-	12.62	43.19	-	0.93	1.14	2.03	2.31	8.76	-	70.98	-
Asset classified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-13.18	-	-	-	-0.22	-5.52	-	-	(18.92)	-
Balance as at 31st March 2026	-	136.97	990.29	-	20.67	6.66	35.38	5.16	231.98	-	1,427.10	-

Net block

Particulars	Land - freehold	Buildings	Plant and machinery	Plant and machinery under lease	Furniture and fixtures	Office equipments	Computers	Vehicles	Manufacturing tools	Leased Assets	Total	Capital work in progress
Opening Balance at 1st April 2024	740.61	255.02	235.58	68.86	4.63	3.61	4.95	11.38	25.45	-	1,350.08	-
Balance as at 31st March 2025	740.61	241.71	184.31	-	2.84	4.74	4.97	10.35	25.88	-	1,215.41	16.21
Balance as at 31st March 2026	740.61	229.09	207.90	-	1.91	4.08	3.13	18.80	33.86	0.00	1,239.38	137.83

a) Capitalised borrowing cost

The borrowing costs capitalised during the year ended 31 March 2026 is Rs. 2.5L (31 March 2025: Nil).

b) Useful life and method of depreciation

Refer note 1.12

c) Capital Working progress Ageing**Ageing as on 31 March 2026**

Particulars	Unbilled payables	Not due	Amount in CWIP for a period				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	134.66	3.18	-	-	137.83
Projects temporarily suspended	-	-	-	-	-	-	-
Total	-	-	134.66	3.18	-	-	137.83

Ageing as on 31 March 2025

Particulars	Unbilled payables	Not due	Amount in CWIP for a period				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	16.21	-	-	-	16.21
Projects temporarily suspended	-	-	-	-	-	-	-
Total	-	-	16.21	-	-	-	16.21

Notes:

There are no capital work in progress which are overdue or has exceeded the costs compared to its original costs.

3 Other intangible assets

Software

Particulars	Software	Total
Gross carrying amount:		
Balance as at 31st March 2024	27.87	27.87
Additions	12.02	12.02
Disposals	-	-
Balance as at 31st March 2025	39.89	39.89
Additions	4.38	4.38
Disposals	-	-
Balance as at 31st March 2026	44.27	44.27
Accumulated amortisation		
Balance as at 31st March 2024	27.17	27.17
Amortisation for the year	1.33	1.33
Balance as at 31st March 2025	28.50	28.50
Amortisation for the year	3.32	3.32
Balance as at 31st March 2026	31.82	31.82
Net Block		
Balance as at 31st March 2024	0.70	0.70
Balance as at 31st March 2025	11.39	11.39
Balance as at 31st March 2026	12.45	12.45

4. Trade receivables

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current		
Trade Receivables considered good	-	0.35
	-	0.35
Current		
(a) Trade Receivables considered good - Secured	-	-
(b) Trade Receivables considered good - Unsecured	1,167.86	1,067.66
(c) Trade Receivables considered good - Related party (Refer note 30)	109.25	108.65
(d) Trade Receivables which have significant increase in credit risk	48.26	156.17
	1,325.37	1,332.48
Less: Allowances for expected credit loss	(48.26)	(156.17)
	1,277.11	1,176.31

Accounts Receivables Ageing Schedule as at 31st March 2026

Particulars	Not due	Outstanding from periods from due date of payment					Total
		<6 months	6 months -1yr	1-2 year	2-3 year	> 3 yrs	
Undisputed trade receivables - considered good	939.09	200.97	63.20	66.49	5.24	50.38	1,325.37
Undisputed trade receivables - considered doubtful	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - considered doubtful	-	-	-	-	-	-	-
Less: Allowance for Expected credit Loss	-	-	-	-	-	-	(48.26)
Total	939.09	200.97	63.20	66.49	5.2	50.38	1,277.11

Accounts Receivables Ageing Schedule as at 31st March 2025

Particulars	Not due	Outstanding from periods from due date of payment					Total
		<6 months	6 months -1yr	1-2 year	2-3 year	> 3 yrs	
Undisputed trade receivables - considered good	451.72	603.27	164.33	9.89	20.85	82.43	1,332.49
Undisputed trade receivables - considered doubtful	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - considered doubtful	-	-	-	-	-	-	-
Less: Allowance for Expected credit Loss							(156.17)
Total	451.72	603.27	164.33	9.89	20.85	82.43	1,176.32

5 Loans

Particulars	As at	
	31 March 2026	31 March 2025
Non-current		
(Unsecured, considered good)		
Loans and advances	-	-
	-	-

Current

(Unsecured, considered good)

Loans and advances

(a) to others

-

0.50

-

0.50**5 (i) Investments**

Particulars	As at 31st March 2026	As at 31 March 2025
SIP investment	3.61	
	3.61	-

The Company has invested in units of mutual fund schemes through Systematic Investment Plans (SIPs). As at **31 March 2026**, the total amount invested in mutual funds amounted to **₹ 3,99,980**, having a market value of **₹ 3,60,624**. The investments comprise equity mutual funds and an index fund. Refer note 36(i)

6 Other financial assets

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current		
Security deposits	31.47	31.69
Lease Receivable	7.75	6.76
	39.22	38.46
Current		
Security deposits	5.50	4.36
Interest receivables	-	-
Others	-	(1.80)
Other financial assets- Interest accrued	5.50	2.56

Prior period comparatives have been regrouped / reclassified wherever necessary to conform to the presentation in the current period.

7 Other assets

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current		
(Unsecured, considered good)		
Prepaid expenses	-	0.82
Deferred Expenses	-	-
Capital advance	4.68	16.64
	4.68	17.46

Current

(Unsecured, considered good)

Advance Income Tax

Prepaid expenses 33.53 21.61

Balances with statutory authority - -

Advance for expenses 0.10 14.69

Other current assets 28.30 51.17

61.93 87.47
8 Inventories

Particulars	As at 31 March 2026	As at 31 March 2025
Raw materials	152.11	63.03
Work-in-progress	119.62	68.48
Finished goods (Refer note (a) and (b))	263.80	314.97
Packing materials	12.79	13.41
Retreaded Tyre- Vehicle Management	64.30	96.37
Fuel and oil	1.20	12.77
Tools and spares	16.98	15.72
Retreaded Tyre	-	1.74
Retreading Accessories	-	0.93
Provision for Inventory	(19.00)	-
	611.78	587.42

Notes:

(a) Inventory pledged as security- Refer note 29

(b) Method of inventory Valuation- Refer note 1.15

9 Cash and cash equivalents

Particulars	As at 31 March 2026	As at 31 March 2025
Cash in hand	0.47	1.01
Balances with banks		
- in current accounts	55.95	96.60
	56.42	97.61

10 Bank balances other than Cash and Cash equivalents

Particulars	As at 31 March 2026	As at 31 March 2025
Balances with bank- Deposit account (Refer note (a))	40.01	22.67
	40.01	22.67

- (a) Deposits with original maturity of more than 3 months, but less than 12 months

11 Assets Held for Sale

Assets are classified as held for sale if their carrying amount will be recovered primarily through sale rather than through continuing use, if the assets are available for immediate sale in their present condition and if the sale is highly probable. Immediately before classification as held for sale, the assets are measured in accordance with company's accounting policies. Once classified as held for sale, assets are measured at the lower of their carrying amount and fair value less cost to sell. Any write-down on initial classification or subsequent remeasurement are recognised in standalone statement of profit and loss.

Particulars	As at 31 March 2026	As at March 31, 2025
(a) Property, Plant and Equipment	36.85	68.85
	36.85	68.85

During the year, the Company recognised an impairment loss of 32.00 lakhs on assets held for sale. Accordingly, the carrying amount of assets held for sale as at 31 March 2026 stands at 36.85 lakhs (Previous Year: 68.85 lakhs)

12 Share capital

Particulars			As at March 31 2026	As at March 31 2025
(a) Authorised share capital				
Equity shares			600.00	600.00
60,00,000 equity shares of Rs 10 each (Previous year - 60,00,000)				
Preference shares			1,000.00	1,000.00
10,00,000 preference shares of Rs 100 each (Previous years - 10,00,000)				
Total			1,600.00	1,600.00
(b) Issued, subscribed and paid-up equity capital				
Equity	No of Share	FV		
Issued Capital	5591500	10	559.15	559.15
			559.15	559.15
Subscribed and Paid Up capital	5232900	10	523.29	523.2
			523.29	523.20
Preference				
Issued and Subscribed Capital	1000000	100	1000	1000
			1000	1000
Paid Up capital	900000	100	900	900
			900.00	900.00

(c) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares (in lakhs)	Amount	No. of Shares (in lakhs)	Amount
Balances as at the beginning of the year	52.32	523.200	52.32	523.20
Add: Issued and subscribed during the year	-	-	-	-
Add: Annulment of Forfeiture	0.009	0.090		
Shares forfeited	3.59	17.935		17.98
Balance at the end of the year	55.92	541.225	52.32	541.180

(d) Details of shareholders holding more than 5% shares:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares (in lakhs)	Percentage	No. of Shares (in lakhs)	Percentage
Equity shares of ₹ 10 each, par value				
Feroz Meeran	13.51	25.81%	13.51	25.81%
Navas M Meeran	13.53	25.86%	13.53	25.86%
Kerala State Industrial Development Corporation Limited	6.15	11.75%	6.15	11.75%
Total	33.19	63.42%	33.19	63.43%

(e) Terms / Rights attached to equity shares:

The Company has only one class of shares referred to as equity shares with a face value of ₹ 10 each. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed/declared by the Board of Directors is subject to approval/regularisation of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

Redemption of preference shares

(i) The Board Meeting held on 22.07.2016 has approved the redemption plan of the Preference Shares. Ten Lakhs Redeemable Preference Shares of Rs.100/- each shall be redeemed out of the profits of the company in not more than 10 annual installments of a minimum of 1,00,000 Preference Shares of Rs.100/- each aggregating to Rs. 1 crore per year. Pursuant to the above approval by the board the company has redeemed 100000 Zero percent Redeemable Preference Shares of Rs. 100/- each at a value of Rs. 1 Crore, during the FY 2016-17.

10,00,000 Zero Coupon Cumulative Redeemable Preference Shares of ₹ 100/- each, issued in February 2009, are redeemable in installments out of profits of the Company. During FY 2016-17, 1,00,000 Preference Shares aggregating ₹ 1 crore were redeemed.

During the year, the Company revised the redemption terms and extended the redemption period to 20 years (the maximum period permissible under the Companies Act, 2013), with the balance 9,00,000 shares now redeemable on or before February 2029.

Pursuant to the requirements of Ind AS 109 Financial Instruments, the Company performed an assessment to determine whether the modification constituted a substantial modification of the existing financial liability. Based on the assessment performed, the modification was considered substantial and accordingly the existing liability was derecognised and a new financial liability was recognised at fair value using the revised effective interest rate of 9%. The resultant gain on modification has been recognised as an Exceptional Item in the Statement of Profit and Loss during the year and the revised liability has been presented under Financial Liabilities in accordance with Ind AS 1 Presentation of Financial Statements.

(ii) The company has not redeemed any preference shares during the financial Year 2025-2026

(f) Issue of bonus shares

There has been no issuance of bonus shares or share buy back during five years immediately preceding 31 March 2026.

(g) Details of forfeited shares

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares (in lakhs)	Amount paid up	No. of Shares (in lakhs)	Amount paid up
Equity shares	3.59	17.93	3.64	17.98
*These shares were forfeited on 13 August 2014				

13 Other equity

Particulars	As at March 31 2026	As at March 31 2025
Capital Redemption Reserve	100.00	100.00
Other Equity	753.90	753.90
General reserves	97.46	97.46
Retained earnings	(3,107.33)	(3,115.89)
Other comprehensive Income -Changes in revaluation surplus	430.26	430.26
Other comprehensive loss	(77.94)	(85.75)
	(1,803.65)	(1,820.02)

Nature and purpose of each reserve

Capital Redemption Reserve:

The Company had redeemed 100,000 numbers of Zero coupon cumulative Redeemable Preference Shares of ₹ 100 each amounting to ₹ 1 crore during the FY 2016-17 and the amount equal to the face value of such number of shares has been transferred to Capital Redemption Reserve.

Other Equity :

The balance in the Other equity represents the owners equity component of the Preference shares reclassified in accordance with Ind AS 32

General Reserve :

General reserve was created from time to time by way of transfer of profits from retained earnings for appropriation purposes.

Retained Earnings :

Retained earnings are the profits or losses that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Other Comprehensive Income:

Revaluation surplus : Gain on revaluation of Property, Plant and Equipment consequent to adoption of revaluation model as permitted by Ind AS 16 "Property, Plant and Equipment" for measurement of carrying value of the land owned by the Company is accumulated under Other comprehensive income - Change in Revaluation surplus.

Remeasurements of net defined benefit plans: Difference between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

14 Borrowings

Particulars	As at March 31 2026	As at March 31 2025
Non-current		
Secured (Refer note (i))		
Term loan from Bank	427.08	466.44
Deferred payment liabilities	-	(8.42)
Unsecured		
Loans from Related Parties (Refer note (ii))	254.34	236.80
New redemption plan of preference share decided in BM.	694.97	89.29
	1,376.39	784.11
Amount disclosed under "Current financial liabilities"		
Less: Current maturities of Secured Term Loan	(342.44)	(173.00)
	1,033.95	611.10
Current		
Secured, from banks		
Cash credit (Refer note (iv))	1,933.26	1,749.70
Current maturities of Secured Term Loan	342.44	173.00
Demand Loan	-	-
	2,275.70	1,922.70

Unsecured

New redemption plan of preference share decided in BM.	-	800.00
	-	800.00
	2,275.70	2,722.70

Notes:

(i) Term loans

Union Bank Term Loan

The term loans from Union Bank of India are to be repaid in equal monthly installments over a period of 36 to 60 months, with an outflow of upto 15 lac per month. The annual interest rate for these loans varies between 7.50% and 9% .The term loan from Union Bank of India is secured by a first charge on the company's inventory, moveable plant, and machinery, with additional guarantees from the Promoter Directors. The loan is further secured by collateral, including the deposit of title deeds for the company's land and building.

The WCTL - GECL loan from Union Bank will be repaid in 8 equal monthly installments of Rs 14.13 lakhs each ,including an annual interest of 7.50 %. INDAS 109 requires, the borrowings from the banks to be carried in the books at amortised cost model. By using this model all the financial liabilities are recorded using effective rate of interest and the interest income needs to be segregated when the amounts are expected to be settled for more than 12 months. All the transaction cost including the upfront processing fees paid are to be amortised over the tenure of the loan/borrowings using effective interest method.

(ii) Loan from Related Party

The Company has obtained unsecured loan from its director which is repayable within in 3 years with an interest of 7.95% .

(iii) Liability component of Cumulative Redeemable Preference Shares

The Company had issued 10,00,000 Zero Coupon Cumulative Redeemable Preference Shares of ₹ 100/- each to its promoters in February 2009, redeemable out of profits in accordance with the terms of issue.

Pursuant to the Board approval dated 22 July 2016, the shares were to be redeemed in installments over a period not exceeding 10 years, with a minimum of 1,00,000 shares redeemable each year. In terms thereof, 1,00,000 Preference Shares aggregating ₹ 1 crore were redeemed during FY 2016-17.

The Board, at its meeting held on 10 November 2025, revised the redemption terms and extended the redemption period to 20 years from the date of allotment, being the maximum period permissible under the Companies Act, 2013. Accordingly, the balance Preference Shares are now redeemable on or before February 2029.

As at the Balance Sheet date, 9,00,000 Preference Shares of ₹ 100/- each remain outstanding, classified as a financial liability measured at amortised cost in accordance with Ind AS 32, on the basis that the instrument provides for redemption on a specified date.

Pursuant to the requirements of Ind AS 109 Financial Instruments, the Company performed an assessment to determine whether the modification constituted a substantial modification of the existing financial liability. Based on the assessment performed, the modification was considered substantial and accordingly the existing liability was derecognised and a new financial liability was recognised at fair value using the revised effective interest rate. The resultant gain on modification has been recognised as an Exceptional Item in the

Statement of Profit and Loss during the year and the revised liability has been presented under Financial Liabilities in accordance with Ind AS 1 Presentation of Financial Statements.

(iv) Cash Credit

The Cash Credit from the Kotak Bank is secured by way of personal guarantee of Mr. Navas Meeran and Corporate Guarantee extended by Nash Meeran LLP and CAIF Meeran LLP by pledge of Corporate Bonds. The assets of the company remain free from any creation of security for this facility.

The Cash Credit from the Union Bank of India is secured by way of first charge on the floating assets and second charge on the fixed assets of the Company and are further guaranteed by the Promoter Directors of the Company. The above loans are further secured by collateral security by deposit of title deeds of the land and building of the Company.

Name of Bank	Aggregate Working Capital limit sanctioned (in lakhs)	Quarter ended	Amount disclosed as per quarterly return/ statements (in lakhs)	Amount as per books of accounts (in lakhs)	Difference (in lakhs)	Reasons for differences
Union Bank of India	1,200.00	Jun-25	992.83	1,865.18	(872.35)	Changes are due to audit entries and difference in stock valuation.
Union Bank of India	1,200.00	Sep-25	1,114.94	2,012.18	(897.24)	
Union Bank of India	1,200.00	Dec-25	1,157.21	1,910.51	(753.30)	
Union Bank of India	1,200.00	Mar-26	1,110.97	1,889.00	(778.03)	

15 Other financial liabilities

Particulars	As at March 31 2026	As at March 31 2025
Current		
Security deposit / retention money payable	37.40	40.90
Creditors for capital goods	16.96	1.50
Other financial liabilities	3.31	3.29
	57.67	45.69

16 Provisions

Particulars	As at March 31 2026	As at March 31 2025
Non-current		
Provision for employee benefits (Refer note 24.1)	128.86	109.64
	128.86	109.64
Current		
Provision for employee benefits (Refer note 24.1)	10.57	33.88
	10.57	33.88

17 Deferred tax liabilities

Particulars	As at March 31 2026	As at March 31 2025
Deferred tax liability		
On excess of net book value over Income tax written down value of fixed assets	42.48	72.57
Deferred tax impact on fair value changes	30.67	0.57
	73.15	73.14
Deferred tax assets		
On provisions	-	-
Deferred tax liabilities, net	73.15	73.14
Movement in deferred tax liabilities (Refer note 35)		

18 Other liabilities

Particulars	As at March 31 2026	As at March 31 2025
Advance lease rent	0.94	0.94
Advances from customers	5.56	8.20
Statutory dues	3.47	54.30
Dues to employees	61.36	45.14
Others	76.75	42.45
	148.08	151.03

19 Trade payables

Particulars	As at March 31 2026	As at March 31 2025
Dues to micro enterprises and small enterprises (refer note (a) below)	124.80	70.68
Dues to others		
a) related parties (Refer note 29)	-	0.24
b) others	939.37	831.33
	1,064.17	902.25

(a) Dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act (MSMED), 2006 to the extent identified and information available with the Company pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006, details are mentioned below:

- | | | |
|---|--------|-------|
| i) Principal amount remaining unpaid (but within due date as per the Micro, Small and Medium Enterprises Development Act, 2006) | 124.80 | 70.68 |
| ii) Interest due thereon remaining unpaid | 0.11 | - |
| iii) Interest paid by the Company in terms of Section 16 of the Micro, Small | | |

and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period.

- iv) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006
- v) Interest accrued and remaining unpaid
- vi) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises

-	-
-	-
-	-
-	-
124.80	70.68

Accounts Payables Aging Schedule as on 31st March 2026

Particulars	Unbilled payables	Not due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Dues to Micro, Small and Medium Enterprises (MSME)							
- Disputed dues	-	-	-	-	-	-	-
- Undisputed dues	-	45.23	33.39	46.18	-	-	124.80
(ii) Dues to Others							
- Disputed dues	-	-	-	-	-	-	-
- Undisputed dues	-	272.84	663.71	2.82	-	-	939.37
Total (i + ii)	-	318.07	697.10	49.00	-	-	1,064.17

Accrued expenses (others)

-

Grand Total

1,064.17

Accounts Payables Aging Schedule as on 31st March 2025

Particulars	Unbilled	Not	Outstanding for following periods				Total
			Less than	1-2	2-3	More than	
(i) Dues to Micro, Small and Medium Enterprises (MSME)							
- Disputed dues	-	-	-	-	-	-	-
- Undisputed dues	-	10.16	32.07	28.45	-	-	70.68
(ii) Dues to Others							
- Disputed dues	-	-	-	-	-	-	-
- Undisputed dues	-	314.80	516.21	0.56	-	-	831.57
Total (i + ii)	-	324.96	548.28	29.01	-	-	902.25

Accrued expenses (others)

-

Grand Total

902.25

20 Revenue from operations

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Gross sales	6,092.02	5,931.00
Discount	(33.83)	(108.37)
Sale of products	6,058.19	5,822.63
Retreading charges	182.92	200.66
Other operating revenue	182.92	200.66
Total	6,241.11	6,023.29

The management determines that the segment information reported under Note 37 Segment reporting is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from Contract with Customers. Hence, no separate disclosures of disaggregated revenues are reported. The Company's performance obligation are satisfied upon shipment and payment is generally due by 60 to 120 days.

20.1 Reconciliation of revenue from sale of goods with the contracted price

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Contracted price	6,092.02	5,931.00
Less : Trade discount, rebates etc	(33.83)	(108.37)
Net revenue recognised from contracts with customers	6,058.19	5,822.63

21 Other income

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest income	3.20	3.36
Other non operating income	31.64	35.91
	34.84	39.27

22 Cost of materials consumed

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Opening inventory	63.03	137.83
Add: Purchases	4,163.99	4,141.49
Less: Closing inventory	(152.11)	(63.03)
	4,074.91	4,216.29

23 Changes in stock of finished goods, work-in-progress and stock-in-trade

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Opening Stock		
Finished goods (including goods in transit)	317.64	346.02
Work-in-progress	68.48	105.90
	386.12	451.92
Closing Stock		
Finished goods (including goods in transit)	263.80	317.64
Work-in-progress	119.62	68.48
	383.41	386.12
	2.71	65.80

24 Employee benefits expense

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Salaries, wages and bonus	764.03	795.16
Contributions to provident and other funds (refer note (a))	47.26	49.39
Gratuity (refer note (b))	18.32	13.78
Staff welfare expenses	40.73	41.60
	870.34	899.93

Notes:

(a) Eligible employees of the Company receive benefits under the Provident Fund which is a defined contribution plan wherein both the employee and the Company make monthly contributions equal to a specific percentage of covered employees' salary. These contributions are made to the Fund administered and managed by the Government of India and the Company has no further obligation beyond making its contribution. The Company's monthly contributions are charged to Statement of Profit and Loss in the period in which they are incurred:

	Year ended 31 March 2026	Year ended 31 March 2025
Employer's contribution to Provident Fund	35.47	40.71
Employer's contribution to ESI	8.52	8.22
Labour welfare and other funds	0.39	0.46

(b) In accordance with the payment of gratuity under 'Payment of Gratuity Act, 1972' of India, the Company provides for gratuity, a defined retirement benefit plan covering eligible employees. Liability with regard to such gratuity is determined by an independent actuarial valuation using the Projected Unit Credit method and is charged to the Statement of Profit and Loss in the year. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement

of changes in equity and in the Balance Sheet.

The following table set out the status of the gratuity plan as required under Ind AS 19, Employee Benefits:

Change in defined benefit obligations

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Present value of defined benefit obligations at the beginning of the year	144.69	134.94
Current service cost	8.89	10.41
Interest cost	9.27	9.08
Benefits settled	(12.28)	(18.71)
Actuarial (gain) / loss	(10.53)	8.97
Present value of defined benefit obligations at the end of the year	140.04	144.69

Reconciliation of present value of obligation and the fair value of assets

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Present value of the defined benefit obligation at the end of the year	140.04	144.69
Fair Value of plan assets	0.61	1.17
Liability recognised in the Balance Sheet	139.43	143.52

Change in defined benefit obligations

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Fair value of the plan assets at the beginning of the period	1.17	4.66
Insurance and admin expense	(0.23)	-
Expected return on plan assets	0.06	0.22
Contributions by employer	13.55	15.48
Benefits paid from the fund	(12.28)	(18.71)
Actuarial gain/loss	0.02	(0.47)
Fair value of the plan assets at the end of the period	2.29	1.17

Components of net gratuity cost

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Current service cost	8.89	10.41
Net Interest cost	9.20	8.86
Insurance and admin expense	0.23	
Net gratuity costs charged to profit or loss	18.32	19.27

Components actuarial losses/(gains) in other comprehensive income

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Return on plan assets less than discount rate	(0.02)	0.47
Actuarial gain due to financial assumption changes in defined benefit obligations	(3.69)	5.10
Actuarial losses due to experience on defined benefit obligations	(6.84)	3.87
Total actuarial loss included in other comprehensive income	(10.55)	9.45

Assumptions used

Discount rate		
Permanent	7.22%	6.73%
Casual	7.22%	6.73%
Salary escalation rate *		
Permanent	5.00%	5.00%
Casual	5.00%	5.00%
Attrition rate		
Permanent	11.60%	11.60%
Casual	11.60%	11.60%
Retirement age	58	58

* Estimates of future salary increases takes into account inflation, seniority, promotions and other relevant factors such as supply and demand in employment market.

Sensitivity analysis

Description of Risk Exposures

Valuations are performed on certain basic set of pre-determined assumptions which may vary over time. Thus, the Company is exposed to various risks in providing the above benefit which are as follows:

Interest Rate Risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of liability (as shown in financial statements).

Liquidity Risk: This is the risk that the Company is not able to meet the short term benefit payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk: The present value of the above benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Regulatory Risk: Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time).

Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment. Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

A quantitative sensitivity analysis for significant assumption is as shown below:

Assumption	Year ended 31 March 2026		Year ended 31 March 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (- / + 1%)	(6.33)	7.07	6.78	(6.10)
Salary growth rate (- / + 1%)	6.94	(6.43)	(6.13)	6.72
Attrition rate (- / + 1%)	0.27	(0.29)	(0.41)	0.38

Sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There are no changes from the previous period in the methods and assumptions used in preparing the sensitivity analysis.

25 Finance costs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest expense	217.02	227.72
Deferred Expenses Term Loan	0	4.39
Other borrowing costs	21.2	13.93
	238.22	246.04

26 Depreciation and amortisation expense

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation on tangible assets (Refer note 2.1)	70.97	82.60
Amortisation on intangible assets (Refer note 2.2)	3.32	1.33
	74.29	83.93

27 Other expenses

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Repairs and maintenance:		
Building	1.62	1.24
Plant and machinery	2.48	5.93
Others	18.28	12.72

Rent	48.73	55.08
Insurance	10.01	9.05
Professional charges	165.61	137.31
Payments to the auditor	7.21	6.82
Travelling expenses	60.24	82.38
Business promotion expenses	17.28	32.70
Freight charges	154.66	130.92
Claim settlement	3.76	5.83
Tools and spares consumed	4.54	4.09
Commission	39.03	9.23
Power and fuel	289.98	233.60
Rates and taxes excluding taxes on income	14.93	10.08
Job work charges	23.51	37.50
Consumables	25.22	35.62
Packing materials consumed	178.69	167.45
General factory expenses	59.93	57.45
Provision for doubtful debts	(19.80)	(128.32)
Bad debts	-	(0.71)
Provision for inventory	19.00	-
IT & Software Expenses	6.67	-
Impairment Loss	32.00	-
Previous year tax written off	4.00	-
Loss on Fair Valuation of investments	0.39	-
Tax written off	24.91	-
Miscellaneous expenses	19.71	17.61
	1,212.59	923.58

	Year ended 31 March 2026	Year ended 31 March 2025
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27.1 Payments to the auditor

For tax audit	1.00	1.00
For statutory audit	5.50	5.50
Reimbursement of expenses	0.71	0.32
	7.21	6.82

28 Exceptional Item – Gain on Modification of Preference Share Liability

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
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During the year, the Company revised the terms of redemption of the outstanding Zero Coupon Cumulative

Redeemable Preference Shares, as more fully described in Note 14 – Non-current Borrowings.

Pursuant to the requirements of Ind AS 109 Financial Instruments, the Company assessed the modification of the existing financial liability and determined that the modification constituted a substantial modification. Accordingly, the existing financial liability was derecognised and a new financial liability was recognised at fair value based on the revised terms, using a revised effective interest rate of 9%

The resultant gain arising on such modification of the financial liability amounting to ¹ 205.03 lakhs has been recognised as an Exceptional Item in the Statement of Profit and Loss for the year.

29 Loss per share

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Net Profit/ Loss after tax attributable to equity shareholders	8.56	(303.12)
Weighted number of ordinary shares for basic EPS in lakhs	52.33	52.32
Nominal value of ordinary share (in ₹ per share)	10.00	10.00
Basic and Diluted earnings for ordinary shares (in ₹ per share)	0.15	(5.79)

30 Assets pledged as security

Particulars	As at March 31 2026	As at March 31 2025
The carrying amounts of assets pledged as security for current and non-current borrowings are:		
Current		
First charge		
Financial assets		
Trade receivables	1,277.11	1,176.31
Cash and cash equivalents	56.42	97.61
Bank balances other than cash and cash equivalents above	40.01	22.67
Loans	-	0.50
Other financial assets	5.50	34.03
Inventories	611.78	587.42
Other current assets	61.93	87.47
Total current assets pledged as securities	2,052.75	2,006.01
Non-current		
First charge		
Property, plant and equipment (PPE) and Capital work in progress	1,239.38	1,215.41
Total non-current assets pledged as securities	1,239.38	1,215.41
Total assets pledged as security	3,292.13	3,221.43

31 Related Party Disclosures

(A) Name of the related party and nature of relationship where control exists

Name of Related Party	Nature of Relationship
Navas Meeran	Chairman/Managing Director
Siby Varghese	Independent Director
Rani Joseph	Independent Director
Shereen Navas	Director
Naiju Joseph	Director
Devarajan Krishnan	Whole-time Director
N Jeyaseelan	Independent Director
Feroz Meeran	Promoter

Key Managerial Personnel

Abil Anil	Company Secretary
Devarajan Krishnan	Whole-time Director / Chief Financial Officer
M E Mohamed	Managing Director (till February 14, 2026)

Entities where significant influence is exercised by the director, KMP and/or their relatives having transactions with the Company

Eastern Condiments Private Limited
 Eastern Retreads Private Limited
 Eastea Chai Private Limited
 Sahara Treads
 Nash Meeran LLP
 CAIF Meeran LLP
 Reenaz Properties Pvt Ltd
 Fleetaid Professional Private Limited

(B) Transactions with related parties as per the books of account during the period

Nature of Transaction	Subsidiary / Entities where significant influence is exercised by the director, KMP and/or their relatives having transactions with the Company		Key Managerial Person (KMP)	
	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2026	Year ended 31 March 2025
Sale of finished goods				
Eastern Retreads Pvt LTd	209.50	258.16		
Fleetaid Professional Private Limited	53.92	10.52		
Received services				
Eastern Retreads Pvt LTd	0.39	0.13		
Feroz Meeran	25.00			
Eastea Chai (P) Ltd	75.57			
M E Mohammed	1.72			

Group Meeran Pvt Ltd		104.35		
Reenaz Properties (P) Ltd	0.48	0.58		
Quantity discount provided				
Eastern Retreads Pvt LTd		8.38		
Interest Expense				
Navas M Meeran	19.42	25.83		
Loan Repaid				
Navas M Meeran	-	205.88		
Purchase of goods				
Eastern Mattresses Private Limited	2.74			
Eastern Retreads Pvt LTd	0.23			
Leases				
Eastern Retreads Pvt LTd		0.05		
Eastea Chai (P) Ltd	0.30	0.35		
Reenaz Properties (P) Ltd	28.10	30.71		
Remuneration				
Devarajan Krishnan			60.11	44.01
Abil Anil			10.66	9.49
M E Mohamed			12.08	10.35
Sitting Fee				
Naiju Joseph			0.40	0.35
M.S. Ranganathan				0.05
Neelacanta Iyer				0.05
Shereen Navas			0.20	
Rani Joseph			0.40	0.45
Siby Varghese			0.30	
Devarajan Krishnan			0.30	
Navas Meeran			0.30	0.40
N Jayaseelan			0.30	0.40
M.E. Mohamed			0.40	0.30

*Certain KMPs also participate in post employment benefits plans provided by the Company. The amount in respect of these towards the KMP cannot be segregated as these are based on actuarial valuation for all employees of the Company.

Particulars	As at 31 March 2026	As at 31 March 2025
Amount receivables		
Eastern Retreads Pvt LTd	109.25	108.65
Amount Payables		
Eastern Condiments (P) Ltd	-	-
Group Meeran Pvt Ltd	16.64	21.14
Reenaz Properties (P) Ltd	40.13	36.05
Feroz Meeran	4.50	
Eastea Chai (P) Ltd	4.15	-
M.E. Mohamed	1.29	0.24
Loan and interest on loan		
Navas Meeran	254.34	236.8
Guarantees or collateral *		
Navas Meeran	1,381.14	1,402.19
M.E. Mohamed	1,381.14	1,402.19
Nash Meeran LLP	417.21	398.90
CAIF Meeran LLP	417.21	398.90

32 Contingent Liabilities And Commitments (To the extent not provided for) :

	Year ended 31 March 2026	Year ended 31 March 2025
a. Claims against the company not acknowledged as debt		
ii. Income tax matters	191.52	190.35
b. Bank Guarantees outstanding	343.84	193.84
c. Commitments		
i. Estimated amounts of contracts remaining to be executed not provided for	-	-

33 Financial risk management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer.

The Company's risk management activity focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below:

A. Credit risk analysis

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk for receivables, cash and cash equivalents, short term investments and financial guarantee.

Cash and cash equivalents and short term investments

The Company considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. Generally the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant deposit balances other than those required for its day to day operations.

Trade receivables

The Company is exposed to credit risk from its operating activities primarily from trade receivables amounting to ₹ 1325.37 Lakhs and ₹ 1332.48 Lakhs as of 31 March 2026 and 31 March 2025 respectively. The Company has standard operating procedure for obtaining sufficient security like bank guarantees where appropriate, as a means of mitigating the risk of financial loss from defaults.

The credit quality of the Company's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The history of trade receivables shows a negligible provision for bad and doubtful debts. The solvency of customers and their ability to repay the receivable is considered in assessing receivables for impairment. Therefore, the Company does not expect any material risk on account of non-performance by any of the Company's counterparties. Where receivables are impaired, the Company actively seeks to recover the amounts in question and enforce the compliance with credit terms.

Movement in the provision for doubtful receivable

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning	156.18	284.50
Credit loss recognised	(107.92)	(128.32)
Balance at the end	48.26	156.18

B. Liquidity Risk

The Company requires funds both for short-term operational needs as well as for long-term growth projects. The Company generates sufficient cash flows from the current operations which together with the available cash and cash equivalents provide liquidity both in the short-term as well as in the long-term. In addition company has also availed short term / long term finance from banks as and when required. The Company has been rated by CRISIL Limited (CRISIL) for its banking facilities in line with Basel II norms with a rating of Long term - CRISIL B/ Stable and short term A4.

The Company remains committed to maintaining a healthy liquidity, gearing ratio and strengthening the balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

Maturities of financial liabilities

As at 31 March 2026	< 1year	1-5 years	>5years	Total
Borrowings	2,275.70	338.98	-	2,614.68
Preference share redemption	-	694.97	-	694.97
Other financial liabilities	57.67	-	-	57.67
Trade payables	1,064.17	-	-	1,064.17
	3,397.54	1,033.95	-	4,431.48

As at 31 March 2025	< 1year	1-5 years	> 5years	Total
Borrowings	1,922.70	521.82	-	2,444.52
Preference share redemption	800.00	89.29	-	889.29
Other financial liabilities	45.69	-	-	45.69
Trade payables	902.25	-	-	902.25
	3,670.64	611.11	-	4,281.75

C. Market Risk

The company is exposed to market risk of financial instruments and specifically to currency risk and interest rate risk, which result from both its operating and investing activities.

The company operates internationally and a significant portion of the business is transacted in USD currencies and consequently the Company is exposed to foreign exchange risk through us sales and purchases in foreign currencies. The exchange rate between rupee and foreign currency has changed substantially in recent years and may fluctuate substantially in future.

Foreign currency denominated financial assets and liabilities which exposes the company to currency risk are discussed below:

Particulars		As at 31st March 2026		As at 31st March 2025	
Included in	Currency	Amount in foreign currency (Lakhs)	Amount in Rs (Lakhs)	Amount in foreign currency (Lakhs)	Amount in Rs (Lakhs)
Financial Assets					
Trade Receivables	USD	1.49	141.51	0.56	47.74
Financial Liabilities					
Trade Payables	USD	-	-		

Conversion rates	Financial Assets	Financial Liabilities
	USD	USD
As at March 2026	94.84	NA
As at March 2025	85.48	NA

Sensitivity

The following table details the company's sensitivity to a 1% increase and decrease in the rupee against the relevant foreign currency. 1% is the sensitivity rate used when reporting foreign currency risk internally to key managerial personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their transactions at the year-end for a 1% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where rupee strengthens 1% against the relevant currency. For a 1% weakening of rupee against the relevant currency, there would be a comparable impact on profit or equity, and the balance below would be negative.

Impact on profit after tax	Increase 31st March 2026	Decrease 31st March 2026	Increase 31st March 2025	Decrease 31st March 2025
Sensitivity INR/USD	1.05	(1.05)	0.35	(0.35)

D. Interest rate risk

The Company is exposed to interest rate risk on short-term (cash credit) and long-term (term loans). The borrowings of the Company are principally denominated in Indian Rupees. These exposures are reviewed by appropriate levels of management on a regular basis. There are no foreign currency borrowings made by the company during the reporting periods. The impact on the company's profit or loss before tax due to change in interest rate is given below:

	Change in interest rate	Effect on profit or loss before tax	
Interest sensitivity:		31 March 2026	31 March 2025
Interest rates – increase by 100 basis points (100 bps)	1.00%	(23.60)	(14.26)
Interest rates – decrease by 100 basis points (100 bps)	1.00%	23.60	14.26

34 Capital Management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value. The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long-term operating plans. The Company's policy is to use short term and long-term borrowings to meet anticipated funding requirements. For the purpose of calculating gearing ratio, debt is defined as non-current and current borrowings (excluding derivatives). Equity includes all capital and reserves of the Company attributable to equity holders of the Company.

	As at 31 March 2026	As at 31 March 2025
Current borrowings	1,933.26	2,549.70
Non current borrowings	1,033.95	611.11
Current maturities of non current borrowings	(342.44)	(173.00)
Less: Cash and cash equivalents	(56.42)	(97.61)
Less: Bank balances other than cash and cash equivalents	(40.01)	(22.67)
Net debt	2,528.33	2,867.51
Equity share capital	541.23	541.18
Other equity	(1,903.65)	(1,920.02)
Total capital (equity + net debt)	1,165.91	1,488.69
Gearing ratio	216.86%	192.62%

35 Disclosure with respect to operating leases

Certain items of plant and machinery previously provided under cancellable operating lease arrangements reached the end of their lease term. In accordance with the lease terms, the lessees were provided an option to purchase the assets at their written down value. The Company intends to dispose of these assets in the financial year 2025–26 and has accordingly classified them as assets held for sale in compliance with the requirements of Ind AS 105 – Non-current Assets Held for Sale and Discontinued Operations. The disclosure of future minimum lease payments and net block of plant and machinery given on lease has not been provided for assets classified as held for sale during the year in accordance with Ind AS 105. The disposal of these assets was pending as at 31 March 2026 and, accordingly, the assets continued to be classified as held for sale as at the reporting date. During the year, the Company recognised an impairment loss of ₹32.00 lakhs on assets held for sale. Accordingly, the carrying amount of assets held for sale as at 31 March 2026 stands at ₹36.85 lakhs (Previous Year: ₹ 68.85 lakhs)

The Company continues to pursue the disposal of these assets in accordance with its disposal plan.

	Year ended 31 March 2026	Year ended 31 March 2025
Net block value of plant and machinery given on lease (refer note 2.1)	36.85	68.86
Future minimum lease payments		
not later than one year	-	0.94
later than one year and not later than five years	-	-

36 Income Tax

	Year ended 31 March 2026	Year ended 31 March 2025
Current tax:		
Current income tax charge	-	-
Deferred tax credit		
Relating to the origination and reversal of temporary differences	(2.74)	(75.29)
Income tax expense reported in Statement of Profit and Loss	(2.74)	(75.29)
Deferred tax related to items recognised in Other Comprehensive Income (OCI)		
Income tax relating to re-measurement loss on defined benefit plans	-	-
	-	-
Reconciliation of deferred tax (net)	Year ended 31 March 2026	Year ended 31 March 2025
Opening balance	73.15	148.44
Tax credit during the year recognized in statement of profit and loss	(2.74)	(75.29)
Tax expense during the year recognised in Other Comprehensive Income (OCI)	2.74	-
	-	-
Closing balance	73.15	73.15
Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate	Year ended 31 March 2026	Year ended 31 March 2025
Accounting loss before tax and exceptional item	5.82	(378.41)
Tax on accounting profit at statutory income tax rate at 26% (31 March 2024: 26%)	1.51	(98.39)
Tax effects of amounts which are not deductible (taxable) in calculating taxable income:		
Deferred tax assets not recognized on the loss as there is no certainty of future taxable profit	435.96	435.96
Others	(440.21)	(412.86)
Tax charge for the year	(2.74)	(75.29)
Income tax expense reported in the Statement of Profit and Loss	(2.74)	(75.29)

(This space has been left blank intentionally)

37 Fair value measurements

(i) Financial instruments by category

The carrying value and fair value of financial instruments by categories are as follows:

	31-Mar-26			31-Mar-25		
	Amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Amortised cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI
Financial Assets:						
Non- current						
(i) Investments	-	3.61	-			
(ii) Trade receivables	-	-	-	0.35	-	-
(iii) Other financial assets	39.22	-	-	6.98	-	-
Current						
(i) Trade receivables	1,277.11	-	-	1,176.31	-	-
(ii) Cash and cash equivalents	56.42	-	-	97.61	-	-
(iii) Bank balances other than (ii) above	40.01	-	-	22.67	-	-
(iv) Loans	-	-	-	0.50	-	-
(v) Other financial assets	5.50	-	-	34.03	-	-
Total financial assets	1,418.26	3.61	-	1,338.45	-	-
Financial Liabilities:						
Non-current						
(i) Borrowings	1,033.95	-	-	611.11	-	-
(ii) Other financial liabilities	-	-	-	-	-	-
Current						
Financial liabilities						
(i) Borrowings	2,275.70	-	-	2,722.70	-	-
(ii) Trade payables	1,064.17	-	-	902.25	-	-
(iii) Other financial liabilities	57.67	-	-	45.69	-	-
Total financial liabilities	4,431.49	-	-	4,281.75	-	-

The management assessed that the fair value of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables, working capital loans and other financial liabilities approximate the carrying amount largely due to short-term maturity of this instruments.

(ii) Fair value of financial assets and liabilities measured at amortised cost

The management assessed that for amortised cost instruments, fair value approximate largely to the carrying amount.

(iii) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- a) Level 1- Quoted prices (unadjusted) is the active market price for identical assets or liabilities
- b) Level 2 -Inputs other than quoted price included within level 1 that are observable for the assets or liability, either directly.
- c) Level 3- Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short- term nature.

38 Segment Information

The Company is engaged in the manufacture and sale of products which form part of one product group which represents one operating segment, as the Chief Operating Decision Maker (CODM), reviews business performance at an overall company level. Entity-wide disclosure as required by Ind AS 108 "Operating Segment" are as follows:

- (i) Revenues from external customers for each product or each group of similar products:

	Year ended 31 March 2026	Year ended 31 March 2025
Sales of products	6,058.19	5,822.63
Others	182.92	200.66
	6,241.11	6,023.29

- (ii) Revenues from external customers attributed to the Company's country of domicile and attributed to all foreign countries from which the Company derives revenues:

	Year ended 31 March 2026	Year ended 31 March 2025
India	5,414.09	5,303.57
Outside India	827.02	519.06
	6,241.11	5,822.63

- (iii) Non-current assets (other than financial instruments and deferred tax assets) located in the Company's country of domicile and in all foreign countries in which the Company holds assets:

	Year ended 31 March 2026	Year ended 31 March 2025
India	1,394.35	1,260.48
Outside India	-	-
	1,394.35	1,260.48

- (iv) The following table gives details in respect of revenues generated from top customer and revenues from transactions with customers amounts to 10 percent or more of Company's revenues from product sale:

	Year ended 31 March 2026	Year ended 31 March 2025
Revenue from Top customer	489.60	593.37
Revenue from customers contributing 10% or more to the company's revenue from product sale	873.71	593.37

39. Key Ratios

Particulars	31 March 2026	31 March 2025	% Variance	Reason for variance
Current ratio	0.58	0.52	11%	The change in ratio is due to decrease in current liabilities
Debt-equity ratio	(2.43)	(2.42)	0%	Not applicable
Debt service coverage ratio	0.05	(0.03)	-302%	The change in the ratio was primarily due to improved results throughout the year.
Return on equity ratio	(0.01)	0.25	-103%	The change in the ratio was primarily due to improved results throughout the year.
Inventory turnover ratio	10.41	9.25	13%	The change in ratio is due to Increase in Turnover
Trade receivables turnover ratio	5.09	5.05	1%	Not applicable
Trade payables turnover ratio	4.20	4.48	-6%	Not applicable
Net capital turnover ratio	(4.19)	(3.31)	27%	The change in ratio is due to decrease in current liabilities
Net profit ratio	0.00	(0.05)	-103%	The change in the ratio was primarily due to improved results throughout the year.
Return on capital employed	0.02	(0.07)	-130%	The change in the ratio was primarily due to improved results throughout the year.

Numerator and denominator used for computation

Particulars	Numerator	Denominator
Current ratio	Current assets	Current liabilities
Debt-equity ratio	Total borrowings	Equity share capital and other equity
Debt service coverage ratio	Earnings available for debt service	Debt service
Return on equity ratio	Net loss	Average shareholder's equity
Inventory turnover ratio	Revenue from operations	Average inventory
Trade receivables turnover ratio	Revenue from operations	Average trade receivables
Trade payables turnover ratio	Total purchases	Average trade payables
Net capital turnover ratio	Revenue from operations	Working capital
Net profit ratio	Net loss	Revenue from operations
Return on capital employed	Loss before interest and tax	Capital employed

* Earnings available for debt service have been considered as Profit/(Loss) Before Tax and Exceptional Item, as the exceptional item disclosed by the Company is non-cash in nature. Accordingly, the exceptional item has been excluded from the calculation of the ratio. It may be noted that the Company has incurred a loss before considering the exceptional item.

- 40** a) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- b) The Company has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority.
- c) As per the information available with the Company, the Company has no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- d) There has been no charges or satisfaction yet to be registered with ROC beyond the statutory period.
- e) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall
- 1) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries).
 - 2) provide any guarantee, security or the like on behalf of the ultimate beneficiaries. Company has not received any fund from any persons or entities, including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the company shall
 - i) directly

or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or ii) provided any guarantee, security or the like on behalf of the ultimate beneficiaries.

- f) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2026.
- g) The Company does not have any surrendered or undisclosed income during the year in the tax assessments under the Income Tax Act, 1961.
- h) The title deeds of all the immovable properties held by the Company disclosed in the financial statements are held in the name of the Company.
- i) The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken.
- j) The Company has complied with the number of layers prescribed under the Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017.

41 Events after the balance sheet date

There were no material subsequent events after the reporting date which requires any adjustments or disclosures relating to reported assets and liabilities at the end of the reporting period.

42 Prior year comparatives have been regrouped/reclassified where necessary to confirm with the current year classification.

This is the summary of significant accounting policies and other explanatory information as referred to in our report of even date.

For G. Joseph & Associates

Chartered Accountants

Firm Registration Number 006310S

Allen Joseph

Partner

Membership No 228498

Navas Meeran

Chairman & Managing Director

DIN: 00128692

For and on behalf of the Board of Directors of Eastern Treads Limited

Devarajan Krishnan

Whole-time Director &

Chief Financial Officer

DIN:11240487

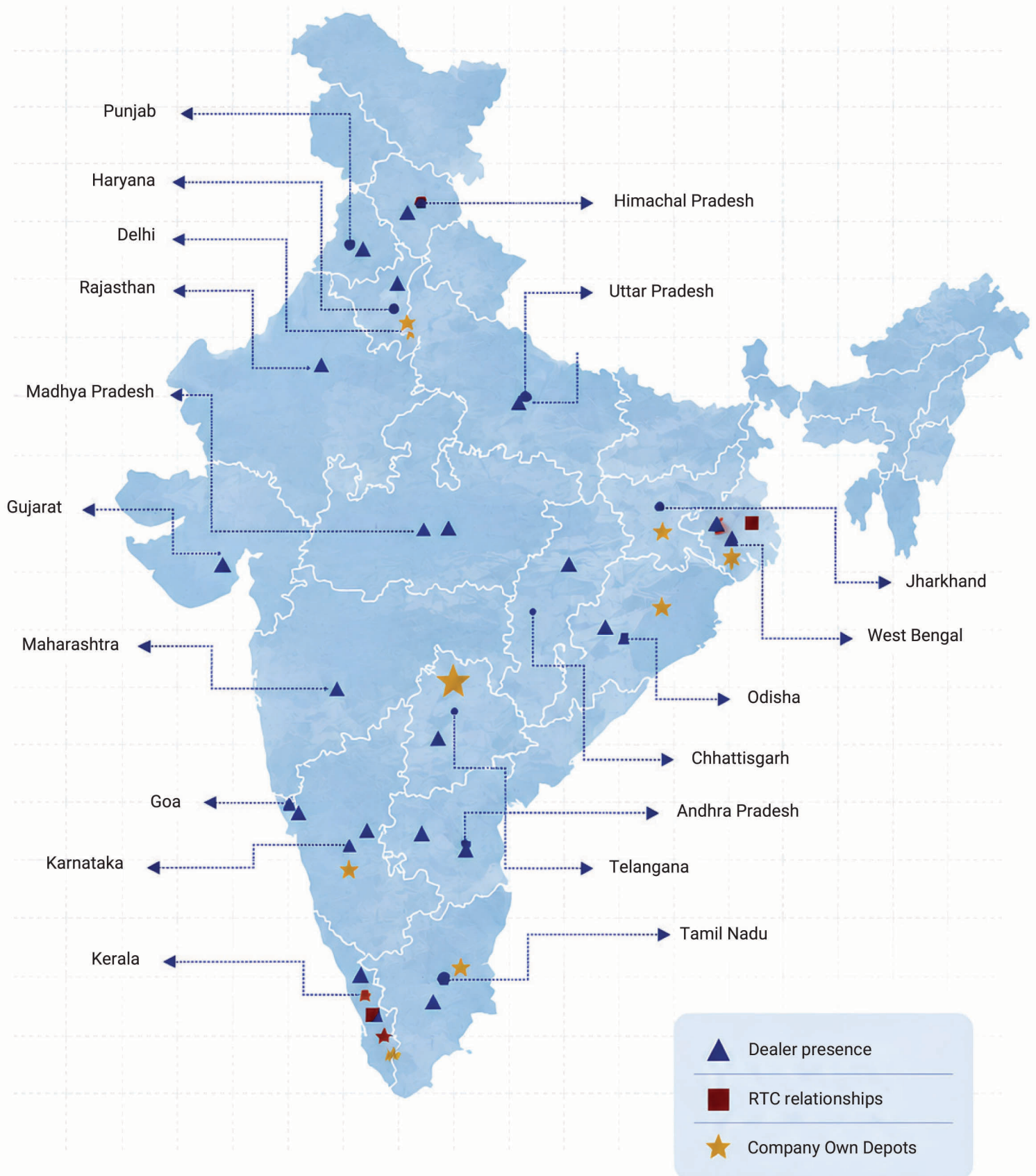
Abil Anil

Company Secretary

Kochi

Date : 20th May 2026

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