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EASTERN TREADS LIMITED

Regd.Office : No C/IV/I, 4th Floor, Mather Square, Opp.North Railway Station, Ernakulam, Kochi 682 018

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Sixteenth Annual General Meeting of the members of Eastern Treads Limited will be held at Hotel Cochin Tower, Lissy Junction, Ernakulam, Cochin – 682018 on Thursday, 24th September, 2009 at 10.30 AM to transact the following business:

Ordinary Business :-

- (1) To receive, consider and adopt the Audited Balance Sheet as at 31st March 2009 and the Profit and Loss Account for the year ended on that date together with the Reports of the Directors' and Auditor's thereon.
- (2) To appoint a Director in place of Mr. Navas M Meeran who retires by rotation and, being eligible, offers himself for re-appointment.
- (3) To appoint a Director in place of Mr. Naiju Joseph who retires by rotation and, being eligible, offers himself for re-appointment.
- (4) To appoint Auditors and fix their remuneration, the retiring Auditors M/s.JVR & Associates, Chartered Accountants, Kochi -16 are eligible for re-appointment.

By Order of the Board

Kochi 682 018
29.07.09

Sd.
Baiju. T
Company Secretary

Notes :-

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. The Proxy Form, to be effective shall be deposited at the Registered Office of the Company 48 hours prior to the time fixed for the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 17th September, 2009 to Thursday, 24th September, 2009 (both days inclusive).
3. Members/Proxies are requested to bring their copy of the Annual Report for reference and discussion. The attendance slip duly filled and signed by the member or proxy should be deposited at the venue of the Meeting.
4. Members intending to seek explanation/ clarification at the meeting about the information contained in Annual Report, are requested to inform the Company at least 7 days in advance of their intention to do so, so that the relevant information may be made available if the chairman permits such information to be furnished.

By Order of the Board

Kochi 682 018
29.07.09

Sd.
Baiju. T
Company Secretary



DETAILS OF DIRECTORS RETIRING BY ROTATION AND SEEKING RE APPOINTMENT
(in pursuance of Clause 49 of the Listing Agreement):-

Name of Director	Mr. Navas M. Meeran	Mr. Naiju Joseph
Date of Birth	23-07-1969	26-05-1966
Date of appointment	26-08-1997	01-09-1998
Qualifications	MBA	Graduate in Economics
Expertise in specific functional area	He is a Post Graduate in Business Management and Graduated from M.G.University. He is the recipient of 'Kamal Patra' award from the Indian Junior Chamber for being an outstanding young entrepreneur of the year in 1994. He hails from a respectable business family in Adimali renowned for manufacturing and exporting of spices and curry powder. He has been involved in the business of spices for the last 20 years and having immense practical experience in tyre re-treading industry. Presently he is the Vice-Chairman of Eastern Group of Companies and was Chairman of Confederation of Indian Industry (CII), Kerala Chapter.	He hails from a business family of Vazhakulam engaged primarily in tyre re-treading industry.
Details of other Directorship	<ol style="list-style-type: none"> 1. Eastern Condiments (P) Limited 2. Eastern Mattresses (P) Limited 3. Eastern Food Speciality Formulations (P) Ltd 4. Eastern Retreads (P) Limited 5. Adimali Industries Limited 6. Shehab Properties (P) Limited 7. Reenaz Properties (P) Limited 8. BAMS Condiments Impex (P) Ltd 9. Kerala State Industrial Development Corporation Ltd 10. Cochin Chamber of Commerce and Industry 	Eastern Retreads (P) Limited
Membership/ Chairmanship of committees of other public companies	Nil	Nil
Number of shares held in the Company	620800 Equity Shares of Rs. 10 Each and 600000 0% Preference Shares of Rs. 100 each	3000 Equity Shares of Rs. 10 Each

None of the aforesaid Directors is related to each other. Mr. Naiju Joseph is not related to any other Director on the Board and to the promoters of the Company. Mr. Navas M. Meeran, Promoter and Director is related to Mr. M.E. Meeran and Mr. M.E. Mohamed, Directors of the Company.

DIRECTORS' REPORT

Dear Member,

Your Directors have pleasure in presenting the 16th Annual Report along with the audited statements of account of your Company for the financial year ended 31st March, 2009.

FINANCIAL RESULTS

The performance of your Company, in the midst of competitive environment and current global slowdown and recession, has been satisfactory. The following table shows the operational results of the Company during the current year as compared to that of the previous year.

	(Rs.in lakhs)	
	Year ended 31.03.2009	Year ended 31.03.2008
Net Sales	3874.08	3049.77
Other Income	192.06	156.22
Total Income	4066.14	3205.99
Total Expenditure	3922.06	3083.41
Profit before Interest, Depreciation and Tax	144.08	122.58
Interest	28.38	19.60
Depreciation	40.65	34.14
Profit/Loss before tax	75.05	68.84
Provision for taxation	0.00	0.00
Net Profit/Loss after tax	75.05	68.84
Paid up Equity Share Capital	512.99	512.99
Paid up Preference Share Capital	1000.00	0.00
Reserves excluding Revaluation Reserves	20.00	20.00

FINANCIAL HIGHLIGHTS

During financial year sales from operations amounted to Rs.3874.08 lakhs as against Rs. 3049.77 lakhs during the previous year, recorded a growth of 27.01%.

Operating profit before interest and depreciation amounted to Rs. 144.08 lakhs as against Rs. 122.58 lakhs during the previous year, recorded a growth of 17.59%. Net profit after providing for interest and depreciation amounted to Rs. 75.05 lakhs as against Rs. 68.84 lakhs during the previous year registering an increase of 9.02%.

Your Company has achieved all time high profit and robust growth in its operations supported by a motivated management team, aggressive marketing initiatives, better working capital management and overall cost reduction measures adopted by the Company. The cost management and production efficiencies helped in maintaining a good profitable track record despite the global slowdown and economic crisis and the increase in input costs.

CURRENT SCENARIO

The global slowdown and recession has had its impact on the economy in general, and automobile industry in specific, the tyre demand too came under pressure. In the face of global slowdown the export market also has declined during this period. On the face of these demand-side pressures, the tyre industry saw production adjustments from all the major players in the last couple of months. The Government too tried to provide external stimulus by effecting 6% excise duty cut across industries. The raw material prices have also been decreased from September 2008 onwards.

Even though the tyre industry has come under pressure due to the economic slowdown the tyre retreading in India has gained greater acceptance in the commercial segment, especially truck/bus and light commercial vehicle (LCV) tyres, due to operational savings. Since the retreading cost is less compared to the replacement cost the fleet owners and agriculture vehicles also utilize the scope of retreading.

Tyre retreading in the commercial vehicle segment is poised for growth in the future. High quality products in retreading will give acceptance in commercial segment which will offer added financial benefits.

The Company produces a large range – more than Hundred and Sixty designs - of pre-cure retread material as well as the mould cure (die size and strip) tread rubber. Eastern brand of retreading products including tread rubber, procured tread rubber and other retreading materials are today sold both in India and in numerous overseas markets.

The practice of re-treading, which is gaining increasing acceptance, could pose a challenge to replacement demand in the medium term. The usage of radial tyres has caused the reduction in tyre retreading. Earlier the radial tyres were not re-treadable now casing strength helps us to do 1 to 2 retreading.

There is an increasing trend in the scope for retreading industry. There is a growth of organized re-treaders in Middle East region leading to demand for tread rubber. Domestically the road transport industry is developing very fast and with infrastructure development like express highways, the demand for tyre servicing will increase.

MARKETING STRATEGY

The price fluctuations in raw materials have caused heavy loss to tyre retreading industry. Nevertheless, your Company has survived the situation and retained all the potential customers by providing quality products and special discounts to dealers to boost their involvement and adapt to our cash and carry policy. The management has taken global recession as an opportunity to come up and thereby developed and implemented a master plan which gives better results.

Recently, the Company has acquired a marketing license of a patented technology known as Electro Retreading Mould which is cost effective and energy saving machinery for the retreading of tyres. This has been incubated by National Innovation Foundation.

RAW MATERIALS

Prices of the basic raw materials particularly natural rubber, carbon black and rubber chemicals increased in an unprecedented manner in the first half of the year. In the second half prices started coming down, this saved the industry to some extent. Prices of natural rubber are again touching high levels.

QUALITY

The Company has focused on quality and productivity. The Company has achieved quality certifications and accreditations to its credit which includes ISO 9001-2000.



DIVIDEND

In view of the inadequacy of profit, your Directors are not in a position to recommend any dividend.

PUBLIC SHAREHOLDING

At the Extraordinary General Meeting of the Company held on 05-02-2009 the Authorised Capital has been increased from Rupees Six Crores to Rupees Sixteen Crores by creation of Ten Lakhs Redeemable Preference Shares of Rupees Hundred each. The consent of the shareholders required pursuant to the provisions of Section 80 and 81 of the Companies Act, 1956 to raise additional capital by issue of Redeemable Preference Shares has also been obtained by way of special resolution at this Extraordinary General Meeting. At the Board Meeting held on 09-02-2009 the Board has allotted Ten Lakhs Redeemable Preference Shares of Rupees Hundred each to Mr. M.E. Meeran and Mr. Navas M. Meeran by conversion of their loan into Redeemable Preference Shares of the Company.

There are a few shareholders who have not yet paid their allotment money and your Directors would request to pay the same at the earliest and make the shares fully paid.

LISTING AND DEMATERIALISATION

As the members are aware, the Bombay Stock Exchange Ltd. has revoked the suspension in trading of equity shares of the Company with effect from Monday, 30th March, 2009. Now the shareholders can take the advantage of trading in the securities through the Stock Exchanges. The equity shares of the Company are presently listed on the Bombay Stock Exchange, Cochin Stock Exchange (security code ETD) and Madras Stock Exchange with scrip code 531346 and scrip id EASTRED.

Now the Company has extended the facility of dematerialisation of shares to its shareholders. The equity shares of the Company are available for demat with both the depositories in India - National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) with the ISIN : INE500D01015. Your Directors earnestly appeal to all of you to demat the shares and derive the benefits of holding the shares in electronic form.

FIXED DEPOSITS

The Company has not accepted any fixed deposits during the year to which the provisions of Section 58A of the Companies Act, 1956 are applicable.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE INFLOW AND OUTFLOW

The Company has taken all possible efforts to conserve energy and absorb the latest technology. The information required under Section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, regarding Conservation of Energy, Technology Absorption, Foreign Exchange Inflow and Outflow are given in Annexure "A" to this report.

CORPORATE GOVERNANCE

The Company has complied with the Corporate Governance requirements, as stipulated under Clause 49 of the Listing Agreement. A separate section on Corporate Governance along with a certificate from the Auditors of the Company confirming the compliance is annexed as Annexure "B" and forms part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS STATEMENT

Report on Management Discussion and Analysis is given in Annexure "C" forming part of this report.

AUDITORS

The Auditors M/s.JVR & Associates, Chartered Accountants, Kochi -16, were reappointed as the Auditor of the Company at the previous Annual General Meeting. They hold office until the conclusion of the ensuing Annual General Meeting. They are eligible and recommended for re-appointment. Certificate from the Auditors has been received to the effect that their re-appointment, if made, would be in accordance with Section 224 (1B) of the Companies Act, 1956.

BOARD OF DIRECTORS

Mr. Navas M. Meeran and Mr. Naiju Joseph retires by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board of Directors of your Company recommend their reappointment.

None of the Directors is disqualified under 274(1)(g) of the Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Sub-Section 2AA of Section 217 of the Companies Act, 1956 your Directors confirms 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, 1956 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.

SECRETARIAL AUDIT

As directed by Securities and Exchange Board of India (SEBI), Secretarial Audit is being carried out at the specified periodicity by a practicing Company Secretary. The findings of the Secretarial Audit have been satisfactory.

PERSONNEL

None of the employees is in receipt of remuneration in excess of the limit as laid down under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

The Company's key strength is its human capital. The Company conducts programmes such as TQM for the workmen and technicians to enhance pride in being an employee of the Company and also to create team synergy. At the middle management level, the focus of the programme is to inculcate leadership qualities. The idea is to develop better

understanding and increase the support and co-operation for the employees from their families. The TQM encourages team work and teams come back fully motivated to face future challenges.

Your Company continues to take various initiatives for the development of its human resources and has maintained healthy and harmonious industrial relations at all locations. Your Company lays great emphasis on optimizing people performance through various processes. It begins with best practices in recruiting people and moves through learning and development, engagement, employee feedback and rewards and recognition.

ACKNOWLEDGEMENT

Your Directors wish to take this opportunity to place on record their gratitude and sincere appreciation for the timely and valuable assistance and support received from Bankers, Share Transfer Agents, Customers, Suppliers, regulatory authorities and for the valuable committed services of the executives and workers of the Company, without which it would not have been possible to achieve all round progress and growth of the Company. Your Directors are thankful to the shareholders for their continued patronage.

For and on behalf of the Board of Directors

Kochi 682 018
29.07.09

Sd.
M.E Meeran
Chairman

Sd.
M.E Mohamed
Managing Director

ANNEXURE "A" TO THE DIRECTORS' REPORT

Information as per Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules 1988 and forming part of the Directors' report.

(A) CONSERVATION OF ENERGY

In pursuit of continual improvement towards energy conservation and compliance with environmental regulations, many initiatives have been taken in 2008-09.

Power and fuel consumption	Current Year	Previous Year
1. Electricity		
(a) Purchased		
Unit (Kwh)	14,98,982	16,02,059
Total Amount (Rs.)	Rs.71,68,957	Rs.64,76,547
Rate/Unit (Average)	Rs. 4.78	Rs.4.04
(b) Own generation		
(i) Through diesel generator		
Unit (Kwh)	95580	1,81,775
Unit per litre of Diesel Oil	3.75	4.75
Rate/Unit (Rs.)	Rs 9.07	Rs.7.08
(ii) Through steam turbine/generator	Nil	Nil
Unit	—	—
Unit per litre of fuel	—	—
Oil/Gas	—	—
Rate/Unit	—	—
2. Coal (Specify quality and where used)	Nil	Nil
Quantity (Tonnes)	—	—
Total Cost	—	—
Average Rate	—	—
3. Furnace Oil	Nil	Nil
Quantity (K. Ltrs.)	—	—
Total amount	—	—
Average Rate	—	—
4. Others/Internal generation	Nil	Nil
Quantity	—	—
Total Cost	—	—
Rate/ Unit	—	—

Consumption per unit of production

	Current Year	Previous Year
Products (with details) unit		
Pre-cured Tread (MT)	71.38	42.38
Bonding Gum (MT)	1.10	0.00
Black Vulcanizing Solution (MT)	11.40	26.25
Master Batch Compound (MT)	51.65	395.82
Job work done (MT)	6944.32	6824.25
Electricity (Kwh)	225.23	244.74
Furnace oil	NIL	NIL
Coal	NIL	NIL
Others (specify)	NIL	NIL

(B) TECHNOLOGY ABSORPTION

The Company has not undertaken any R & D activities worth mentioning in this report during the period.

(C) FOREIGN EXCHANGE EARNINGS & OUTGO

There has not been any Foreign Exchange inflow or outflow during the year under report.

Annexure "B" to the Directors' Report
REPORT ON CORPORATE GOVERNANCE

Your Company is committed to ensure good Corporate Governance practice. Your Company has complied in all material respects, with the requirements of the Corporate Governance Code as per Clause 49 of the listing agreement with the Stock Exchanges.

A report on the implementation of the Corporate Governance Code of the listing agreement by your Company is furnished below:-

▶ COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company is a part of the Eastern Group which has established a reputation for honesty and integrity. The Company believes that Corporate Governance is about creating out performing organisations, that is, organisations that consistently succeed in the market place against competition and thereby enhance the value of all its stakeholders. It is a combination of voluntary practices and compliance with laws and regulations in each of the markets the Company operates in, leading to effective management of the organization.

Your Company is fully committed to practicing sound corporate governance and upholding the highest business standards in conducting business. The Company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance, viz., integrity, equity, transparency, fairness, disclosure, accountability and commitment to values.

The Company is guided by a key set of values for all its internal and external interactions. Your Company is open, accessible and consistent with its communication. Thus overall Corporate Governance practices underscore its drive towards competitive strength and sustained performance. Thus overall Corporate Governance norms have been institutionalised as an enabling and facilitating business process at the Board, Management and at all operational levels.

▶ BOARD OF DIRECTORS

The Board of Directors consists of 8 Directors. The Chairman of the Board is a Non-Executive Director. The Board is made up of one Executive Director and seven Non-Executive Directors, of whom five are independent. The composition, category and attendance of each Director at the Board meetings, last Annual General Meeting and number of other Directorship and Chairmanship / Membership of Committee of each Director in various companies is as follows:

Name of the Director	Category	Attendance Particulars		No. of other Directorships and Committee member / Chairmanship		
		Board Meetings	Last AGM	Directorship in other Companies	Other Committee Membership	Other Committee Chairmanship
Mr.M.E.Meeran	Promoter / Chairman	4	Yes	4	1	1
Mr.M.E.Mohamed	Managing Director/ Executive Director	7	Yes	3	2	None
Mr.Navas M.Meeran	Promoter/ Non-Executive Director	5	Yes	8	None	None

Mr.M.S.Sebastian	Non-Executive/ Independent Director	6	Yes	1	None	None
Mr.M.S. Ranganathan	Non-Executive/ Independent Director	7	Yes	2	2	1
Mr. Najju Joseph	Non-Executive/ Independent Director	7	Yes	1	2	1
Mr.K.S.Neelacanta Iyer	Non-Executive/ Independent Director	7	Yes	1	2	1
Mr.K.V.Rajagopalan Nair (Nominee of KSIDC)	Non-Executive/ Independent Director	6	No	2	None	None

Number of Board meetings held and the date on which held :-

Seven Board meetings were held during the year. The Board meets at least once in a quarter with a gap of not more than Three months between any two meetings. However, additional meetings are held whenever necessary. The details of the Board meetings are as under.

Sl.No.	Date	Board Strength	No.of Directors present
1	29-04-2008	8	5
2	28-07-2008	8	7
3	26-08-2008	8	6
4	22-10-2008	8	8
5	05-01-2009	8	7
6	22-01-2009	8	8
7	09-02-2009	8	8

► **AUDIT COMMITTEE**

Your Company has an Audit Committee duly constituted on 26.07.2001 in accordance with Clause 49 II (C) and (D) of the Listing Agreement and Section 292A of the Companies Act, 1956. The Members of the Committee are :-

Name	Category	Position in Audit Committee
Mr.K.S.Neelacanta Iyer	Non-Executive Independent Director	Chairman
Mr.M.S.Ranganathan	Non-Executive Independent Director	Member
Mr.Najju Joseph	Non-Executive Independent Director	Member
Mr.M.E.Mohamed	Managing Director	Member

More than two third of the members are Independent Directors and all the members of the Audit Committee are financially literate. The composition, role, functions and powers of the Audit Committee are in line with the requirements of applicable laws and regulations. The Audit Committee shall oversee financial reporting process and disclosures, review annual financial statements, review related party transactions, review financial and risk management policies, oversee compliance with Stock Exchanges and legal requirements concerning financial statements, review auditors qualifications, compliance with Accounting Standards, fixation of audit fee and also approval for the payment of any other services etc.

The Audit Committee meetings are usually held at the Registered Office of the Company and are usually attended by the Chairman and the members of the Committee, representatives of Internal and Statutory Auditors and Chief Financial Officer. The Company Secretary acts as Secretary to the Audit Committee. The Chairman of the Audit Committee was present at the Company's Annual General Meeting held on 29-09-2008 to answer the shareholders' queries. The Audit Committee strictly adheres to the terms of reference which is prepared in compliance with Section 292A of the Companies Act, 1956, and Clause 49 of the Listing Agreement.

Six audit committee meetings were held during the year 2008-09. The dates on which the meetings were held are 29-04-2008, 28-07-2008, 26-08-2008, 20-10-2008, 20-01-2009 and 09-02-2009. The number of meetings attended by each committee members of the Audit Committee is as follows:

Name	No.of meetings held	Number of meetings attended
Mr.K.S.Neelacanta Iyer	6	6
Mr.M.S.Ranganathan	6	6
Mr.Naiju Joseph	6	4
Mr.M.E.Mohamed	6	6

► REMUNERATION COMMITTEE

The Remuneration Committee of the Company was constituted in compliance with the requirements of Clause 49 of the Listing Agreement. The Committee analyses and recommend to the Board of Directors regarding the remuneration payable to Board members including Executive Directors and Managing Director, sitting fees payable to Directors and remuneration payable to the employees working in the senior management level. The Committee approves the minimum remuneration payable to the Managing Director/ Executive Directors in the event of loss or inadequate profits in any year, within the limits and subject to the parameters as prescribed in Schedule XIII of the Companies Act, 1956. The Committee Members are:

Name	Category	Position in Remuneration Committee
Mr.M.S.Ranganathan	Non-Executive Independent Director	Chairman
Mr.K.S.Neelacanta Iyer	Non-Executive Independent Director	Member
Mr.Naiju Joseph	Non-Executive Independent Director	Member

The Company Secretary acts as the secretary to the committee. During the financial year 2008-09, the Committee had one meeting and all the members of the Committee were present at the meetings held on 26th August 2008.

Remuneration policy:-

The remuneration policy is in consonance with the existing industry practice and also with the provisions of the Companies Act, 1956. The Company's remuneration policy is driven by the success and performance of the individual employee of the Company. Through its compensation programme, the Company endeavors to attract, retain, develop and motivate a high performance workforce. Individual performances of the employees are measured through annual appraisal process.

Details of remuneration paid to the Directors for the year ended 31.03.2009 :-

Name	Salary	Perquisites	Commission	Sitting Fees
Mr.M.E.Mohamed	Nil	Nil	Nil	Nil
Mr.Naiju Joseph	Nil	Nil	Nil	7000
Mr.K.S.Neelacanta Iyer	Nil	Nil	Nil	7000
Mr.K.V.Rajagopalan Nair	Nil	Nil	Nil	6000

Even though the terms of appointment of Mr. M.E. Mohamed as the Managing Director include the payment of remuneration, he has waived his right to remuneration. Hence no remuneration has been paid to Mr. M.E. Mohamed, Managing Director during the financial year.

► SHARE TRANSFER COMMITTEE

The Share Transfer Committee of the Company was constituted on 25-06-1996 in compliance with the requirements of Clause 49 of the Listing Agreement. The members of the Committee are:

Name	Category	Position in the Committee
Mr. M.E Meeran	Promoter / Chairman	Chairman
Mr. Navas M. Meeran	Promoter / Non-Executive Director	Member
Mr. M.E. Mohammed	Managing Director / Executive Director	Member

The Company Secretary acts as the secretary to the committee.

The Share Transfer Committee approves the transfer of shares and issue of duplicate share certificates and oversee and review matters connected with the transfer of shares. The Committee affix or authorise fixation of the common seal of the Company on the share certificates.

► SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

The Shareholders'/Investors Grievance Committee of the Company was constituted in compliance with the requirements of Clause 49 of the Listing Agreement. The Members of the Committee are:

Name	Category	Position in the Committee
Mr.Naiju Joseph	Non-Executive Director	Chairman
Mr.M.S.Ranganathan	Non-Executive Director	Member
Mr.K.S.Neelacanta Iyer	Non-Executive Director	Member

The Shareholders' Grievance Committee looks into shareholders' complaints like non-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 agents, and recommends measures for overall improvement in the quality of investor services.

The Company Secretary acts as the secretary to the committee.

During the year under review, no complaints received from the shareholders and there were no outstanding complaints as on 31.03.09. No request for share transfer was pending as on 31.03.09.

▶ GENERAL BODY MEETINGS

The location and time for last three Annual General Meetings are as follows:

Year	Location	Date	Day	Time
2005-2006	Hotel Cochin Tower, Ernakulam	28.09.2006	Thursday	11.30 AM
2006-2007	Hotel Cochin Tower, Ernakulam	26.09.2007	Wednesday	11.30 AM
2007-2008	Hotel Cochin Tower, Ernakulam	29-09-2008	Monday	11.30 AM

The Company has convened an Extraordinary General Meeting on Thursday, 5th February, 2009 at 11.00 A.M. at NIPM House, Ernakulam to increase the Authorised Capital of the Company from Rupees Six Crores to Rupees Sixteen Crores by creation of Ten Lakhs Redeemable Preference Shares of Rupees Hundred each. No special resolutions were put through postal ballot last year nor there is any proposal for the same this year.

▶ DISCLOSURES

a. Related party transactions:

During the year, the Company had not entered into any transaction of a material nature with any of the related parties which were in conflict with the interest of the Company. All transactions with the Related Parties were in the ordinary course of business and at arms length.

b. Details of non-compliance of the Company:

No penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets during the last three years.

▶ MEANS OF COMMUNICATION

The Company's un-audited quarterly financial results, after their approval by the Board of Directors, are promptly issued to the Stock Exchanges with whom the Company has listing arrangements. These Quarterly Financial Results are normally published in Business Line (National Daily) and Deepika / Madhyamam (Regional newspaper) and are also posted on the Company's website. All material information about the Company is promptly sent to the Stock Exchanges. The Management Discussion and Analysis (MD&A) is a part of the annual report.

▶ GENERAL SHAREHOLDER INFORMATION

a. Annual General Meeting

Date and Time : Thursday, 24th September, 2009 at 10.30 AM
Venue : Hotel Cochin Tower, Lissy Junction, Ernakulam

b. Financial calendar (tentative)

Annual General Meeting : 24th September, 2009
Un-audited financial results for the quarter ending 30.06.09 : 29th July 2009
Un-audited financial results for the quarter ending 30.09.09 : Last week of October 2009

Un-audited financial results for the quarter ending 30.12.09 : Last week of January 2010
Un-audited financial results for the quarter ending 31.03.10 : Last week of April 2010

c. Book closure date

Thursday, 17th September, 2009 to Thursday, 24th September, 2009 (both days inclusive)

d. Listing of Equity Shares on Stock Exchanges

The Equity Shares of the Company are listed on Bombay Stock Exchange, Cochin Stock Exchange and Madras Stock Exchange with scrip code 531346 and scrip id EASTRED. The Bombay Stock Exchange Ltd has revoked the suspension in trading of equity shares of the Company with effect from Monday, 30th March, 2009. Listing fees for the financial year 2009-10 have been paid to all the Stock Exchanges. The Company has also paid the annual custodial fee for the year 2009-10 to both the depositories namely, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

e. Stock Code

Scrip Code No.	: Bombay Stock Exchange	-	531346
Trading Symbol	: Cochin Stock Exchange	-	ETD
Trading Symbol	: Madras Stock Exchange	-	EASTETREAD

f. Registrar and Share Transfer Agents

Integrated Enterprises (India) Limited
2nd Floor, 'Kences Towers' No.1
Ramakrishna Street, North Usman Road
T.Nagar Chennai-600017
Phone: 044 28140801, 28140803
Fax; 044 – 28143378, 28142479
E-mail: sureshbabu@iepindia.com

g. Share transfer system

During the Financial Year 2008-09, the share transfers which are received in physical form are processed and the share certificates returned within a period of 21 days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, etc; of the Company's securities to the Share Transfer Committee of the Board of Directors constituted for this purpose. A summary of transfer / transmission of the securities of the Company so approved by the Share Transfer Committee is placed at every Board meeting.

Presently the Company's shares are transferred both in physical and dematerialised form and are traded on the Stock Exchanges compulsorily in the demat mode. Any request for rematerialisation and / or transfer of shares in physical mode is also attended within the stipulated time.

The Company obtains from a Company Secretary in practice half yearly certificate of compliance with the share transfer formalities as required under Clause 47(C) of the Listing Agreement with the Stock Exchanges and files a copy of the certificate with the Stock Exchanges within the prescribed time limit.

h. Shareholding pattern as on 31st March,2009

Category	Equity		Preference	
	No. of shares	%	No. of shares	%
Promoters	3442300	61.563	1000000	100
Indian financial Institutions	Nil	Nil	Nil	Nil
Banks, Mutual Funds	Nil	Nil	Nil	Nil
Foreign Institutional Investors / NRIs	305000	5.455	Nil	Nil
Others	1844200	32.982	Nil	Nil
Total :	5591500	100.000	1000000	100

i. Distribution of Shareholding as on 31st March,2009

Category	No. of shareholders	% of shareholders	No. of shares holding	% Shares
Up to 500	795	53.04	362400	6.482
501 – 1000	566	37.76	506500	9.058
1001 – 2000	48	3.20	76900	1.375
2001 – 3000	40	2.67	102200	1.828
3001 – 4000	5	0.33	18400	0.329
4001 – 5000	12	0.80	59000	1.055
5001 – 10000	15	1.00	142200	2.543
Above 10000	18	1.20	4323900	77.330
Total	1499	100.00	5591500	100.00
Preference				
Above 10000	2	100.00	1000000	100.00
Total	2	100.00	1000000	100.00

j. Plant location

Oonnukal.P.O, Kothamangalam, Ernakulam District, Kerala

k. Investor correspondence

(for share transfer, communication regarding share certificates, change of address and any other query relating to the shares or Annual Report of the Company)

<p>Integrated Enterprises (India) Limited 2nd Floor, 'Kences Towers' No.1 Ramakrishna Street, North Usman Road T.Nagar Chennai-600 017 Phone : 044-28140801, 28140803 Fax : 044-28143378, 28142479 E-mail : sureshbabu@iepindia.com</p>	<p>The Company Secretary Eastern Treads Limited 4th Floor, Mather Square, Opp: North Railway Station Ernakulam, Kochi-682 018, Kerala Phone : 0484-2393550/2395510 Fax : 0484-2390315 Email : baijut@eastern.in</p>
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I. Secretarial Audit

As stipulated by SEBI, a qualified Company Secretary in practice conducts the Secretarial Audit of the Company for the purpose of reconciliation of total admitted capital with the Depositories ie; NSDL & CDSL and the total issued and listed capital of the Company.

This audit is carried out every quarter and the report thereon is submitted to the stock exchanges and is also placed before the Board of Directors. The audit, inter-alia confirms that the total listed and paid up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

DECLARATION OF COMPLIANCE OF CODE OF CONDUCT

To the best of my knowledge and belief and on the basis of declarations given to me by the Board Members and the Senior Management Personnel of the Company, I hereby affirm that all the Board members and the Senior Management personnel have fully complied with the provisions of the code of conduct for Directors and Senior Management personnel during the financial year ending 31.03.2009.

For and on behalf of the Board of Directors

Kochi 682 018
29.07.09

Sd.
M.E Mohamed
Managing Director

AUDITOR'S CERTIFICATE
on compliance with the conditions of Corporate Governance
under clause 49 of the Listing Agreement (s)

To the members of Eastern Treads Limited,

We have examined the relevant documents of Eastern Treads Limited for the year ended 31.03.09 for certifying the compliance with conditions of the Corporate Governance under clause 49 of the listing agreement of the said company with the Stock Exchanges. The compliance of conditions of Corporate Governance is the responsibility of the management.

Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanation given to us, and the representation made by the management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned listing agreement. As required by the guidance note on certification of corporate governance issued by the Institute of Chartered Accountants of India, we state that the share registry department of the company has certified that as at 31st March, 2009 there were no investor grievance remaining unattended/pending for more than thirty days.

We state that compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

Kochi 682 016
29.07.09

For JVR & Associates
Chartered Accountants

Sd.
Jomon K. George
Partner
M.No. 202144

Annexure "C" to the Directors' Report
MANAGEMENT DISCUSSION AND ANALYSIS

a) INDUSTRY STRUCTURE AND DEVELOPMENTS

The global slowdown and recession are the buzz words in today's global industrial scenario. The global slowdown has its impact on the tyre industry. The growth of the entire tyre industry depends on primary factors like agricultural growth, overall GDP growth, industrial production, growth in vehicle demand and secondary factors like infrastructure development, prevailing interest rates and financing options. The tyre industry is highly raw material intensive and a major consumer of rubber. With raw material costs accounting for 70% of the cost of production, any change in the price of rubber or the crude basket has direct impact on the cost of production. The prices of the basic raw materials particularly natural rubber, carbon black and rubber chemicals increased in the first half of the year and started coming down in the second half. Prices of natural rubber are again touching high levels.

Due to the global slowdown and the demand-side pressures, the tyre industry has forced to production adjustments in the last couple of months. The government provide external stimulus by effecting 6% excise duty cut across industries.

Even though the tyre industry has come under pressure due to the economic slowdown the tyre retreading in India has gained greater acceptance in the commercial segment, especially truck/bus and light commercial vehicle tyres, due to operational savings.

b) OPPORTUNITIES AND THREATS

The retreading industry has expecting good future with the introduction of radialisation in truck and bus sector, better controls on over loading, and construction of better quality roads along National Highways. The national thrust in road infrastructure and construction of expressways and national highways presents a range of opportunities for the tyre industry and Eastern Treads aims to make the most of these. Creation of road infrastructure has given, and will increasingly give, a tremendous fillip to surface transportation in the coming years. The tyre industry will continue to play an important role in this dynamic and evolving situation. Some industries bring bad name to retreading by using poor quality retreads. This reduces faith in retreading in the minds of trucker. The importing of Chinese tyres at low prices became a threat for sometime during the year. However, this threat got very much reduced due to their poor quality.

c) OUTLOOK

The Company continues its passionate journey towards customer delight and loyalty.

d) RISKS AND CONCERNS

Being the wheels that keep the nation in motion, the tyre industry and economic development of the country are interdependent. The growth of the tyre industry is not only dependent on economic growth and infrastructural development, but also on the growth in the automobile industry, which is cyclical in nature. The Company is exposed to various risks which are normal in any business enterprise. The main ones and the steps undertaken to mitigate these risks are mentioned below:

1. Financial risk

Credit risk on account of materials supplied to customers has been reduced by the introduction of cash and carry policy.

2. Increase in price of raw materials

Normal increase in prices of raw materials is generally considered while fixing product prices to the customers. However the unexpected fluctuations do affect profitability till prices are revised to meet the costs. Most of the raw materials for the tyre industry are petroleum based and their prices are linked to the movement in crude oil prices. Natural rubber which is one of the major components of the total raw materials cost and is subject to price and production volatility resulting from speculating activities and natural causes.

3. Changes in government policies

Changes in government policies will affect the Company's financial position or investments.

4. Operational risk

Preventive maintenance has been carried out to achieve high level of machine availability. Adequate inventory of stocks at each stage of operation is maintained to keep production going on in case of any breakdown.

5. Product risk

Research and development is being undertaken to deliver better products, service and value to end-customers.

e) INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has a proper and adequate system of internal controls, to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposal and that transactions are authorised, recorded and reported correctly. The internal control is supplemented by an extensive programme of internal, external audits and periodic review by the management. The system is designed to adequately ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets. 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.

f) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

(Please refer to Directors' Report on "Financial Highlights")

g) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS

The management continues to maintain cordial industrial relations with its employees in all units and is attending to their grievances with an open mind. To strengthen the sales and marketing team outside experts were engaged who spent considerable time to train the marketing officers at various levels. We believe in empowering our employees through greater knowledge, team spirit and developing greater sense of responsibility. The Company conducts programmes such as TQM (Total Quality Management) for the workmen and technicians to enhance pride in being an employee of the Company and also to create team synergy. The TQM encourages team work and teams come back fully motivated to face future challenges. Your Company has started the TQM on 8th of August 2008. Since then a total rejuvenation is occurred in all operations and the Company acquired a faster phase of growth. Turnover and profitability are on a higher side irrespective of the prevailing global recessionary trend. The total interests of the customers are increased than ever and the Company expects an exponential growth by the turn of this financial year, because of this TEI (Total Employee Involvement) programme. The total number of persons employed in your Company as on 31st March, 2009 was 168.

h) CAUTIONARY STATEMENT

Some of the statements in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, downtrend in industry, significant changes in political and economic environment in India, tax laws, import duties, litigation and labour 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.

AUDITOR'S REPORT

THE MEMBERS OF
EASTERN TREADS LIMITED
KOCHI

We have audited the attached Balance Sheet of **M/s. EASTERN TREADS LIMITED** as at 31st March, 2009 and the Profit and Loss Account and the Cash Flow Statement for the year ended on that date and annexed thereto.

These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statements.

An audit includes examining, on test basis evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

We report as under:

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of the books.
3. The Balance Sheet, Profit & Loss Account and the Cash Flow Statement, dealt with by this report are in agreement with the books of account.
4. In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956.
5. On the basis of written representations received from directors as on 31st March 2009 and taken on record by the Board, we report that none of the directors are disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of Sub-section (1) of Section 274 of The Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, give the information required by The Companies Act 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-
 - i) in the case of Balance Sheet, of the company's state of affairs as at 31st March, 2009;
 - ii) in the case of Profit and Loss Account, of the Profit for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the Cash flows for the year ended on that date.

7. In terms of Companies (Auditor's Report) Order 2003, issued by the Government of India, in terms of Section 227 (4A) of The Companies Act, 1956, we further report, on the matters specified in paragraph 4 and 5 of the said order, to the extent applicable to the Company, that:-
- 7.1 Though the company has maintained records relating to fixed assets, the company may need to comprehensively combine/complete the fixed asset register with particulars including quantitative details and situation of its fixed assets.
- 7.2 The fixed assets have been physically verified by the management during the year. We are informed that no serious discrepancies have been noticed by the management on such verification as compared to the aforesaid records of fixed assets.
- 7.3 During the year, there was no major disposal of fixed assets.
- 7.4 The management has carried out physical verification of stocks at reasonable intervals during the year.
- 7.5 In our opinion, the procedure of verification of stocks followed by the company requires to be improved considering the size of the company and the nature of its business.
- 7.6 On the basis of our examination of the records of inventory, we are of the opinion that the company has a proper system of maintaining records of inventory. We are informed that the discrepancies between the stock records and the physical stocks are not material.
- 7.7 The company has not granted loans to any party covered in the register maintained under Section 301 of The Companies Act, 1956.
- 7.8 The following are the particulars of loans taken by the company from companies, firms and other parties covered in the register maintained under Section 301 of The Companies Act, 1956.

SI No.	Name of the Party	Relationship	Loan taken/converted	Closing Balance
1	Mr. M. E. Meeran	Chairman	(4,00,00,000.00)	1,09,94,225.00
2	Mr. Navas M. Meeran	Director	(6,00,90,950.00)	18,25,185.00

The terms and conditions of the above loans are not prima facie prejudicial to the interests of the company.

- 7.9 In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to the purchases of inventory and fixed assets and for the sale of goods and services. There is no continuing failure to correct weaknesses in internal controls.
- 7.10 The particulars of contracts or arrangements referred to Section 301 of the Act have been entered in the register required to be maintained under that Section.

- 7.11 In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Act and exceeding the value of five lakhs rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- 7.12 The company has not accepted any deposits from the public.
- 7.13 In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- 7.14 To the best of our knowledge, the Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of The Companies Act, 1956 for the products of the company.
- 7.15 According to the records of the company, the company has deposited the statutory dues applicable to it with some delays.
- 7.16 According to the information and explanations given to us, there are no undisputed statutory dues which are outstanding as on 31st March, 2009, for a period of more than six months from the date they became payable.
- 7.17 According to the records of the company, there are no statutory dues which have not been deposited on account of any dispute, except the following disputed amounts, which have been deposited on account of dispute.

Name of the Statute	Nature of Dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending
KGST	KGST	1,532,618.00	1996-2002	Hon. High Court, Kerala
CST	CST	1,904,578.00	1996-2002	Hon. High Court, Kerala
KGST	Purchase Tax Interest	966,318.00	1996-2002	Deputy Commissioner (Appeals), Commercial Taxes Department, Ernakulam
CST	Interest	180,898.00	2002-2003	-do-
CST	Annual Dues	175,940.00	2004-2005	-do-
Total amount deposited		4,760,352.00		

- 7.18 The accumulated loss of the company is not more than fifty percent of its net worth. The company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- 7.19 The company has not defaulted in repayment of dues to Financial Institutions/Banks.
- 7.20 The company has not granted any loans on the basis of security by way of pledge of shares, debentures and other securities.
- 7.21 The company has not given any guarantee for loans taken by others from banks or financial institutions.
- 7.22 The company has not taken any term loans during the year.

- 7.23 On the basis of an overall examination of the Balance Sheet of the company, no funds raised on a short term basis, have been used for long term investments.
- 7.24 During the year, the company converted 'Unsecured Loans from Promoters' into zero percent Redeemable Preference Shares. The terms and conditions of this allotment/conversion are not prima facie prejudicial to the interest of the company.
- 7.25 The company has not issued any debentures during the year.
- 7.26 Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For JVR & ASSOCIATES
Chartered Accountants

Sd.
JOMON K. GEORGE
PARTNER
M.No.202144

Kochi 682 016
29.07.09

BALANCE SHEET AS AT 31.03.2009

Particulars	Sch. No.	As at 31.03.2009	As at 31.03.2008
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	151,299,500.00	51,299,500.00
Reserves & Surplus	2	2,000,000.00	2,000,000.00
Loan Funds			
Secured Loans	3	2,197,225.80	29,355,542.12
Unsecured Loans	4	12,819,410.00	112,910,000.00
		168,316,135.80	195,565,042.12
APPLICATIONS OF FUNDS			
Fixed Assets			
Gross Block	5	69,734,020.67	65,506,292.86
Less : Depreciation		38,868,257.95	34,802,945.68
Net Block		30,865,762.72	30,703,347.18
Fixed Capital Expenditure	6	2,558,970.62	2,030,404.12
Current Assets, Loans & Advances	7		
a. Inventories		28,179,359.43	40,533,572.62
b. Sundry Debtors		32,163,010.80	39,710,624.86
c. Cash and Bank Balances		4,541,789.70	5,317,416.44
d. Loans and Advances		12,740,409.31	14,688,754.45
		77,624,569.24	100,250,368.37
Less : Current Liabilities & Provisions	8		
a. Current Liabilities		11,319,737.61	10,930,020.72
b. Provisions		465,675.00	469,461.00
Net Current Assets		65,839,156.63	88,850,886.65
Miscellaneous Expenditure (to the extent not written off or adjusted) - Preference Share Issue Expenses		2,576,260.00	0.00
Profit & Loss Account		66,475,985.83	73,980,404.17
		168,316,135.80	195,565,042.12
Notes on Accounts	16		

As per our report of even date attached

For JVR & ASSOCIATES
Chartered Accountants

Sd.
M.E Mohamed
Managing Director

Sd.
M.S. Ranganathan
Director

Sd.
Baiju. T
Company Secretary

Sd.
Jomon K. George
Partner

Kochi 682 018
29.07.09

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31.03.2008

Particulars	Sch. No.	Current Year	Previous Year
INCOME			
Sale of Products :			
-Domestic (Gross)		350,372,059.42	246,733,754.41
Less: Excise Duty Paid		228,927.60	606,077.00
		350,143,131.82	246,127,677.41
-Exports		2,659,813.00	501,804.00
Sale of Compound mix		4,291,652.60	31,800,652.00
Sale of Scrap & Waste		1,055,475.98	711,514.00
Sale of Raw Materials		29,258,394.40	25,835,559.90
Job Work Receipts		14,252,461.00	10,316,875.60
Stock Differential	9	4,809,594.17	5,234,826.47
Other Income		143,863.00	69,878.60
		406,614,385.97	320,598,787.98
EXPENDITURE			
Purchase of Finished Goods		295,965,637.04	204,926,295.00
Raw Materials Consumed	10	43,492,122.88	52,662,460.30
Manufacturing Expenses	11	13,564,371.67	15,819,352.29
Employee Remuneration & Benefits	12	16,719,225.00	12,794,223.00
Administrative Expenses	13	7,857,315.45	6,114,907.65
Selling Expenses	14	12,227,010.41	11,114,859.48
Bad Debts Written off		2,113,593.03	4,527,133.58
Financial Charges	15	2,838,133.02	1,959,977.35
Fringe Benefit Tax		267,246.86	381,939.24
		395,044,655.36	310,301,147.89
Net Profit before depreciation		11,569,730.61	10,297,640.09
Depreciation	5	4,065,312.27	3,413,844.15
Net Profit for the year		7,504,418.34	6,883,795.94
Loss brought from Previous Years		73,980,404.17	80,864,200.11
Balance of Loss carried to Balance Sheet		66,475,985.83	73,980,404.17
Earnings Per Share Basic & Diluted		1.46	1.34
Notes on Accounts	16		

As per our report of even date attached

For JVR & ASSOCIATES
Chartered Accountants

Sd.
M.E Mohamed
Managing Director

Sd.
M.S. Ranganathan
Director

Sd.
Baiju. T
Company Secretary

Sd.
Jomon K. George
Partner

Kochi 682 018
29.07.09

**SCHEDULES ATTACHED TO
AND FORMING PART OF THE ACCOUNTS**

	As on 31.03.2009	As on 31.03.2008
Schedule 1		
SHARE CAPITAL		
A. Authorised		
6000000 Equity shares of Rs. 10 each(Previous Year. 6000000 equity shares of Rs.10/- each)	60,000,000.00	60,000,000.00
1000000 Preference Shares of Rs. 100 each (Previous Year- Nil)	100,000,000.00	0.00
	160,000,000.00	60,000,000.00
B. Issued, Subscribed and Paid-up		
5591500 Equity shares of Rs.10/- each (Previous year 5591500 Equity shares of Rs.10/-each)	55,915,000.00	55,915,000.00
Less : Calls in arrears	4,615,500.00	4,615,500.00
	51,299,500.00	51,299,500.00
1000000 Zero percent Redeemable Preference Shares of Rs.100 each (Previous Year- Nil)	100,000,000.00	0.00
(Redeemable after five years from the date of allotment subject to achieving the net worth of Rs.100 lacs without considering the said preference shares)		
	151,299,500.00	51,299,500.00
Schedule 2		
RESERVES & SURPLUS		
Capital Reserve		
Investment Subsidy from the State Government	2,000,000.00	2,000,000.00
	2,000,000.00	2,000,000.00
Schedule 3		
SECURED LOANS		
Term Loan from The Federal Bank Limited	1,763,416.00	14,958,660.00
Cash Credit from The Federal Bank Limited	433,809.80	14,396,882.12
	2,197,225.80	29,355,542.12
Schedule 4		
UNSECURED LOANS		
Loans from Directors	12,819,410.00	112,910,000.00
	12,819,410.00	112,910,000.00

Schedule 8**CURRENT LIABILITIES & PROVISIONS****Sundry Creditors:**

- For Purchases	4,813,814.00	2,152,033.52
- For Capital goods	290,859.19	522,563.60
- For Expenses	3,816,801.71	3,014,645.62
Advances from Customers	1,559,685.00	4,508,351.00
Other Current Liabilities	838,577.71	732,426.98
Provision for Gratuity	465,675.00	469,461.00
	11,785,412.61	11,399,481.72

Schedule 9**STOCK DIFFERENTIAL****a) Closing Stock**

Finished Goods:

Trading Goods

23,545,098.00	18,735,503.83
23,545,098.00	18,735,503.83

b) Opening Stock

Finished Goods :

18,735,503.83	13,500,677.36
18,735,503.83	13,500,677.36

Increase/decrease in Stock

4,809,594.17	5,234,826.47
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Schedule 10**RAW MATERIALS CONSUMED**

Opening Stock	20,097,532.24	3,939,253.32
Add : Purchases	25,179,170.49	68,820,739.22
Less : Closing Stock	1,784,579.85	20,097,532.24
	43,492,122.88	52,662,460.30

Schedule 11**MANUFACTURING EXPENSES**

Tools & Spares consumed	949,893.86	1,705,437.52
Power & Fuel	9,908,646.44	11,477,251.32
Repairs & Maintenance	90,077.02	1,020,391.10
Factory Expenses	1,051,494.00	181,408.35
Rubber Cess	75,112.50	221,700.00
Loading & Unloading Charges	556,986.85	0.00
Job Work charges	403,415.00	211,510.00
Insurance	293,175.00	347,223.00
Packing Materials Consumed	235,571.00	654,431.00
	13,564,371.67	15,819,352.29

Schedule 12**EMPLOYEE REMUNERATION & BENEFITS**

Wages & Allowances	8,418,605.00	5,682,196.00
Salaries & Allowances	7,339,879.00	6,166,837.00
Staff Welfare	214,856.00	229,851.00
Bonus	198,326.00	134,082.00
Employer's Contribution to Provident Fund	391,745.00	360,017.00
Employer's Contribution to Employees State Insurance	42,600.00	31,209.00
Gratuity	113,214.00	190,031.00
	16,719,225.00	12,794,223.00

Schedule 13**ADMINISTRATIVE EXPENSES**

Directors Sitting Fees	20,000.00	13,000.00
Rent, Rates & Taxes	1,904,085.66	1,617,085.17
Postage & Telephone	702,764.01	675,584.75
Electricity Charges	118,454.00	72,949.00
Listing Fees	153,259.00	36,000.00
Printing & Stationery	429,600.46	316,885.30
Travelling & Conveyance	3,132,670.11	2,389,374.00
Office Expenses	105,517.00	175,523.63
Legal & Professional Charges	255,743.50	202,883.00
Auditor's Remuneration	262,172.00	132,962.00
Books & Periodicals	12,664.00	9,279.00
Repairs & Maintenance	277,441.31	101,686.40
Security expenses	353,321.00	250,399.00
R&D Expenses	4,650.00	26,942.50
Miscellaneous Expenses	124,973.40	94,353.90
	7,857,315.45	6,114,907.65

Schedule 14**SELLING EXPENSES**

Advertisement	116,019.00	53,681.00
Value Added Tax on Stock Transfer	3,778,375.14	2,081,966.28
Carriage Outward & Handling Charges	4,476,064.42	3,849,948.00
Business Promotion Expenses	3,856,551.85	5,129,264.20
	12,227,010.41	11,114,859.48

Schedule 15**FINANCIAL CHARGES**

Interest on Term Loans	1,638,221.00	860,677.00
Interest on Cash Credit	821,919.00	645,987.00
Bank Charges	377,993.02	453,313.35
	2,838,133.02	1,959,977.35

Schedule - 16
NOTES ON ACCOUNTS

1 Background

Eastern Treads Limited was incorporated on 02/07/1993. The company is primarily engaged in the business of manufacturing and dealing of tread rubber and rubber based adhesives.

2 Significant Accounting Policies

The significant Accounting Policies followed by the company are as stated below:

General

The financial statements are prepared under historical cost convention and in accordance with the applicable accounting standards in India

Use of Estimates

The preparation of financial statements in conformity with the Generally Accepted Accounting Principal (GAAP) requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and reported amount of income and expenses during the period. Actual figures may differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

Fixed Assets

Fixed Assets are stated at historical cost less accumulated depreciation.
Advances paid towards acquisition of fixed assets are disclosed under fixed capital expenditure.

Depreciation

Depreciation has been provided on fixed assets under Straight Line Method at the rates and in the manner given under Schedule XIV to The Companies Act, 1956.

Revenue Recognition

Revenue from sale of goods is recognised at the point of despatch to the customers.
Revenue from job work is recognised at the completion of the agreed services.

Inventories and Tools & Spares

Raw materials are valued at cost on FIFO basis.
Work-in-Progress is valued at cost. Cost includes indirect cost.
Finished Goods are valued at lower of cost or net realisable value. Cost includes indirect costs.
25% of Tools & Spares are written off to revenue.

Preference Share Issue Expenses

The expenses in relation to the preference share issue is to be written off over a period of 5 years starting from financial year 2009-10.

Employee Benefits

- a. Short term employee benefits such as salaries, wages, bonus and incentives which fall due within 12 months of the period in which the employee renders the related services which entitles him to avail such benefits are recognised on an undiscounted basis and charged to the profit and loss account.

- b. Defined Contribution Plans - Contributions made to the Recognised Provident Fund & Employee State Insurance Corporation are expensed to the Profit & Loss Account. The Company's obligation is limited to the amount contributed by it.
- c. Defined Benefit Plans - The Company is a member of Group Gratuity Scheme administered by LIC of India. The liability for gratuity is accounted on the basis of actuarial valuation done by LIC of India.

Borrowing Costs

Borrowing costs are expensed in the absence of outlay on qualifying assets.

Segment Reporting

In the absence of more than one distinguishable business/ geographical segment, segment information is not given.

Taxes on Income

Taxes on Income is accounted under the Tax Effect Method in accordance with Accounting Standard 22 issued by the Institute of Chartered Accountants of India. On account of the substantial amount of unabsorbed losses and depreciation under the tax provisions, the net position is a Deferred Tax Asset of Rs.147.16 lacs. This has not been recognised in the accounts as there is no virtual certainty of sufficient taxable profits in the foreseeable future, which would offset the same.

Impairment of 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.

Provisions, Contingent Liabilities and Contingent Assets

The company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognised nor disclosed in the financial statements.

	Current Year	Previous Year
3		
Contingent liabilities not provided for in the Accounts:		
a. Guarantees given by Banks against counter guarantee of the company	799,491.00	2,849,491.00
b. Demand by KVAT Authorities in appeal pending disposal	50,00,000.00	50,00,000.00
4		
Estimated amount of contracts pending execution on capital accounts	7,140,000.00	3,000,000.00
5		
Managerial Remuneration:		
Sitting fees	20,000.00	13,000.00
6		
Auditors Remuneration includes:		
For Audit	220,600.00	84,270.00
For Taxation matters	30,898.00	20,602.00
For Management Consultancy	10,674.00	28,090.00
	262,172.00	132,962.00

- 7 The Cash Credit from The Federal Bank Ltd 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.
- 8 The Term Loan from The Federal Bank Ltd is secured by way of first charge on the fixed assets of the company and are further guaranteed by the Promoter Directors of the company
- 9 In the opinion of the management , the current assets, loans and advances shall realise the value as shown in the balance sheet, if realised in the normal course of business.
- 10 Balance of sundry debtors, creditors, loans and advances and public issue accounts are subject to confirmation/reconciliation.

11 Disclosure in respect of related parties:-

a) Name of the related party and nature of relationship

1. Associate Companies: Eastern Condiments Pvt Ltd
Eastern Retreads Pvt Ltd
Feroz Treads Pvt Ltd
Sheram Treads Pvt Ltd

2. Key Management Personnel: M.E. Meeran
Navas M. Meeran
M.E. Mohamed

3. Relative of Key Management Personnel : Alfa Rubbers
Kappiri Rubbers
Rosekhan Rubbers
Sahara Treads

b) Transactions with related parties as per the books of account during the year ended

	31.03.2009 Rs. in Lakhs	31.03.2008 Rs. in Lakhs
1. Eastern Condiments Pvt Ltd		
Sale of Finished Goods	0.031	Nil
Sharing of Expenses	4.15	0.97
2. Eastern Retreads Pvt Ltd		
Sale of Finished Goods	0.044	7.66
Sharing of Expenses	0.207	0.38
3. Feroz Treads Pvt Ltd		
Purchase of Finished Goods	151.58	105.27
Sale of Raw Materials	Nil	1.11
Job Work Receipt	14.3	1.81
Sharing of Expenses	0.03	0.11
4. Sheram Treads Pvt Ltd		
Purchase of Finished Goods	147.68	137.7
Sale of Raw Materials	20.39	33.77
Job Work Receipt	5.28	3.68
Sharing of Expenses	0.21	Nil
5. Navas M. Meeran		
Loan Accepted	Nil	103.00
Loan Repaid	Nil	37.00
Loan Transferred	616.52	Nil
Preference Share issue	600.90	Nil
6. M.E. Meeran		
Loan Transferred	430.38	Nil
Preference Share issue	400.00	Nil
7. M.E. Mohamed		
Loan Repaid	1.65	0.20
8. Alfa Rubbers		
Purchase of Finished Goods	153.29	144.75
Sale of Raw Materials	24.49	32.57
Job Work Receipt	3.38	4.13
Sharing of Expenses	0.28	0.16
9. Kappiri Rubbers		
Purchase of Finished Goods	0.66	Nil
Sale of Raw Materials	19.06	9.36
Job Work Receipt	1.18	3.70
Sharing of Expenses	0.27	0.07
10. Rosekhan Rubbers		
Purchase of Finished Goods	67.040	0.008
Sale of Raw Materials	15.080	Nil
Job Work Receipt	5.40	3.72
Sharing of Expenses	0.23	0.22
11. Sahara Treads		
Purchase of Finished Goods	71.53	Nil
Sale of Raw Materials	4.03	4.60
Job Work Receipt	4.93	4.74
Sharing of Expenses	0.38	0.16

c) Amount Outstanding as at 31st March, 2009

Associates	Amount (Rs)
Eastern Retreads (P) Ltd	546,923.00 Dr
Sheram Treads (P) Ltd	12,322.00 Cr
Key Management Personnel	
M.E. Meeran	10,994,225.00 Cr
Navas M. Meeran	1,825,185.00 Cr
M.E. Mohammed	62,173.00 Cr
Relative of Key Management Personnel	
Alfa Rubbers	2,477,952.00 Dr
Kappiri Rubbers	18,954.00 Dr

12. Disclosure in accordance with AS 15 on Employee Benefits

a) Defined Contribution Plans

Particulars	Amount (Rs)
Contribution to Recognised Provident Fund	391,745.00
Contribution to Employee's State Insurance	42,600.00
TOTAL	434,345.00

b) Defined Benefit Plan-Gratuity

Particulars	Amount (Rs)
Present Value of Past Service Benefit	544,938.00
Current Service Cost	60,625.00
Premium on Policy	6,458.00
Less: Value of fund as on 01.04.08	69,226.00
TOTAL LIABILITY	542,795.00

c) Following are the Principal Actuarial Assumptions used at the balance sheet date:

Particulars	Gratuity
Discount Rate	8% p.a.
Salary Escalation Rate	5% p.a.

13. Basic and Diluted Earnings Per Share (EPS), of face value Rs.10/- has been calculated as under:-

<u>Numerator</u>		
Net Profit/-Loss for the year	7,504,418.34	6,883,795.94
<u>Denominator</u>		
Weighted average number of equity shares outstanding during the year (Partly paid shares treated as a fraction of an equity share)	5,129,900.00	5,129,900.00
Earnings per Share	1.46	1.34

14. Additional Information

Item	Current Year	Previous Year
a. Installed capacity *		
Tread Rubber (MTs)	5,016.00	5,016.00
Bonding Gum (MTs)	420.00	420.00
Vulcanising Solution (KLs)	240.00	240.00
b. Production		
Tread Rubber (MTs)	84.004	42.389
Bonding Gum (MTs)	1.4	Nil
Vulcanising Solution (KLs)	16.34	50.04
c. Purchases		
Tread Rubber (MTs)	2620.44	1501.61
Bonding Gum (MTs)	314.54	236.41
Vulcanising Solution (KLs)	100.18	72.49

Note: The company produced 55.134 MTs of compound mix.

*As certified by the Management and relied upon by the auditors without verification, being a technical matter.

d. Quantitative details of Finished Goods

	Opening Stock		Turnover		Closing Stock	
	Current year	Previous year	Current year	Previous year	Current year	Previous year
Tread Rubber (Quantity)	135,562.63	82,216.78	1,619,467.70	1,490,655.00	136,368.14	135,562.63
(Value)	14,308,996.71	8,706,484.62	190,824,634.70	159,134,497.00	13,817,379.00	14,308,996.71
Cushion Gum (Quantity)	4,415.00	2,534.00	312,951.00	234,529.00	7,401.00	4,415.00
(Value)	469,185.00	276,504.20	38,919,278.06	25,155,783.00	678,816.50	469,185.00
Vulcanising Solution (Quantity)	1,712.00	1,363.00	116,079.00	122,181.00	2,152.00	1,712.00
(Value)	97,926.00	154,283.00	8,270,102.61	7,449,387.00	118,028.00	97,926.00
CT (Quantity)	17,593.50	13,255.99	1,096,360.50	623,003.40	5,398.10	17,593.50
(Value)	1,462,012.50	1,132,501.71	113,484,103.40	53,308,751.00	462,752.60	1,462,012.50
Repair Patches (Quantity)	19,970.00	7,593.00	35,631.00	49,631.00	10,915.00	19,970.00
(Value)	392,072.08	270,899.80	936,992.02	1,391,262.90	690,370.20	392,072.08

e. Raw Materials Consumed

Item	Current Year		Previous Year	
	Quantity	Value	Quantity	Value
RMA	26086.56	6,815,329.50	64907.9	6,815,329.50
CISAMER	34090	9,370,470.00	78087.25	9,370,470.00
ISNR	24875	8,193,598.80	80329.4	7,013,214.00
CARBON BLACK	56174.05	10,613,528.40	145390.8	10,613,528.40
ZINC OXIDE	3549	1,215,246.27	9069.002	1,215,246.27
PROCESS OIL	17436	1,328,112.36	36892.01	1,328,112.36
STEARIC ACID	2856.66	427,992.79	7254.115	427,992.79
RM SULPHUR	1910.82	31,230.05	694.001	31,230.05
INSOLUBLE SULPHUR	102.77	38,730.23	348.921	38,730.23
SILICA	1300	112,384.80	2113.3	112,384.70
RECLAIM RUBBER	18746.7	1,365,686.78	50806.8	1,365,686.78
Others		3,979,812.91		14,330,535.22
TOTAL		43,492,122.88		52,662,460.30

f. Break-up of Indigenous & Imported Raw Materials Consumed

Particulars	Current Year		Previous Year	
	Amount	%	Amount	%
Indigenous	43,492,122.88	100%	48,225,694.00	92%
Imported	0.00	0%	4,436,766.00	8%
Total	43,492,122.88	100%	52,662,460.00	100%

- g. CIF Value of imports made during the year Nil 3,459,459.00
h. Earnings in foreign exchange Nil Nil
i. Expenditure in foreign currency Nil Nil
j. Amount remitted during the year in foreign currency Nil Nil
k. The details of Provisions as per AS 29 are given below:

	Opening Balance	Additions/Reversals	Closing Balance
Provision for Taxation	Nil	Nil	Nil
Provision for Gratuity	469,461.00	-3,786.00	465,675.00

15. The management has initiated the process of identifying enterprises which have provided goods and services to the company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. The company has not received any intimation from its vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006. Further in the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

16. Previous year figures have been regrouped /reclassified wherever necessary to suit the current year's layout.

For JVR & Associates
Chartered Accountants

Sd.
M. E. MOHAMED
Managing Director

Sd.
M.S RANGANATHAN
Director

Sd.
BAIJU.T
Company Secretary

Sd.
JOMON K. GEORGE
Partner

Kochi 682 018
29.07.09

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31/03/09
(In terms of listing agreement)

	2008-09	2007-08
(Amount in Rs.)		
A. Cashflow from Operating Activities		
a. Net Profit before tax and extra ordinary items	7,504,418.34	6,883,795.95
Adjustments for :-		
Depreciation	4,065,312.27	3,413,844.15
Interest Received	0.00	0.00
Fringe Benefit Tax	267,246.86	381,939.23
Interest Paid	2,460,140.00	1,099,300.35
Profit on sale of Fixed Assets	0.00	0.00
b. Operating Profit before Working Capital Changes	14,297,117.47	11,778,879.68
Adjustments for :-		
Trade and Other Receivables	9,495,959.20	(6,226,734.28)
Inventories	12,354,213.19	(21,419,158.13)
Trade Payables	385,930.90	(5,906,775.37)
c. Cash Generation from Operations	36,533,220.76	(21,773,788.10)
d. Interest Paid	2,460,140.00	1,099,300.35
e. Fringe Benefit Tax	267,246.86	381,939.23
e. Cashflow before Extraordinary Items	33,805,833.90	(23,255,027.68)
f. Extraordinary Items	0.00	0.00
g. Net Cash from Operating Activities	33,805,833.90	(23,255,027.68)
B. Cashflow from Investing Activities		
a. Purchase of Fixed Assets	(4,756,294.32)	(10,011,377.72)
b. Preoperative Expenses	0.00	0.00
c. Investments	0.00	0.00
d. Interest Received	0.00	0.00
e. Sale of Fixed Assets	0.00	0.00
f. Net Cash from Investing Activities	(4,756,294.32)	(10,011,377.72)
C. Cashflow from Financing Activities		
a. Proceeds from Issue of Share Capital/ Conversion	100,000,000.00	2,500.00
b. Proceeds from Long Term Borrowings/ Conversion	(127,248,906.32)	32,369,328.38
c. Proceeds from Investment Subsidy	0.00	0.00
d. Preference Share Issue Expenses	(2,576,260.00)	0.00
e. Net Cash from Financing Activities	(29,825,166.32)	32,371,828.38
D. Net increase / decrease in cash or cash equivalents	(775,626.74)	(894,577.02)
Cash & Cash equivalents as at 01/04/08	5,317,416.44	6,211,993.46
Cash & Cash equivalents as at 31/03/09	4,541,789.70	5,317,416.44

Notes:

- 1) Comparative figures have been regrouped wherever necessary.
- 2) The cash flow statement has been prepared under the indirect method as set out in the Accounting Standard-3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India

AUDITOR'S REPORT

The BOARD OF DIRECTORS
EASTERN TREADS LIMITED, KOCHI

We have examined the attached Cash Flow Statement of M/s. EASTERN TREADS LIMITED for the year ended 31st March, 2009. The statement has been prepared by the company in accordance with the requirements of listing agreements executed with the stock exchanges where the shares of the company are listed and is based on and in agreement with the corresponding Profit and Loss Account and Balance sheet of the company covered by our report of 29/07/2009 to the members of the company.

For JVR & ASSOCIATES
Chartered Accountants

Sd.
JOMON K. GEORGE
Partner
M.No.202144

Kochi 682 016
29.07.09

**BALANCE SHEET ABSTRACT
& COMPANY'S GENERAL BUSINESS PROFILE**

Registration No	09 - 07213
Balance Sheet Date	31.03.2009
II. Capital Raised during the year	
(Amount in Rs. thousands)	
Public Issue	Nil
Right Issue	Nil
Bonus Issue	Nil
Private Placement	100,000
III. Position of Mobilisation and Deployment of Funds	
(Amount in Rs. Thousands)	
Total Liabilities	168,316
Total assets	168,316
SOURCES OF FUNDS	
Paid-up Capital	151,300
Reserves & Surplus	2,000
Secured Loans	2,197
Unsecured Loans	12,819
APPLICATIONS OF FUNDS	
Net Fixed Assets	34,780
Investments	Nil
Net Current Assets	65,839
Miscellaneous Expenditure	2,576
Accumulated Losses	66,476
IV. Performance of Company	
(Amount in Rs. Thousands)	
Turnover	406,614
Total Expenditure	399,110
Profit/Loss before Tax	7,504
Profit/Loss After Tax	7,504
Earnings per Share	1.46
Dividend Rate	Nil
V. Generic Names of Three Principal Products/Services of the Company	
(as per monetary items)	
Item Code No. (ITC Code)	350691
Product Description	Adhesives based on rubber chemicals

As per our report of even date attached
For JVR & ASSOCIATES

Sd.
M.E Mohamed
Managing Director

Sd.
M.S. Ranganathan
Director

Sd.
Baiju. T
Company Secretary

Sd.
Jomon K. George
Partner

Kochi 682 018
29.07.09



ATTENDANCE SLIP

EASTERN TREADS LIMITED

Regd.Office : No C/IV/I, 4th Floor, Mather Square, Opp.North Railway Station,
Ernakulam, Kochi 682 018

16th ANNUAL GENERAL MEETING

FOLIO NO. :
NO.OF SHARES :
FULL NAME OF THE MEMBER ATTENDING :
FULL NAME OF THE FIRST JOINT HOLDER :
FULL NAME OF PROXY :

I hereby record my presence at the 16th Annual General Meeting of the Company to be held at Hotel Cochin Tower,
Lissie Junction, Kochi 682 018 on Thursday, 24th September 2009 at 10.30 AM.

MEMBER'S / PROXY'S SIGNATURE

NOTE : Members / Joint Members / Proxies are requested to bring the attendance slip duly completed when they come to the meeting.



PROXY FORM

EASTERN TREADS LIMITED

Regd.Office : No C/IV/I, 4th Floor, Mather Square, Opp.North Railway Station,
Ernakulam, Kochi 682 018

16th ANNUAL GENERAL MEETING

FOLIO NO. :
NO.OF SHARES :

I / Weof.....
in the district of being member(s) of the above Company, hereby appoint.....
.....ofor failing him
.....ofor failing him
.....ofin the district of

.....as my/our proxy to attend and vote for me / us on my / our behalf at the
16th Annual General Meeting of the Company to be held at Hotel Cochin Tower, Lissie Junction, Kochi 682 018
on Thursday, 24th September 2009 at 10:30 am or at any adjournment thereof.

Affix
Re.1
revenue
stamp.

NOTE:- The proxy form duly completed should be deposited at the Registered Office of the Company at No. C/IV/I, 4th Floor,
Mather Square, Opp.North Railway Station, Ernakulam, Kochi 682 018 not less than 48 hours before the time for holding the
above aforesaid meeting.