



Elgi Rubber Company Limited

Super A Unit • Coimbatore Private Industrial Estate • Kuruchi • Coimbatore 641 021 • India • CIN : L25119TZ2006PLC013144,
+91 (422) 232 1000 • info@in.elgirubber.com • www.elgirubber.com.

Ref: ERCL/SEC/2024/FEB/02

09th February 2024

The Manager – Listing,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra East, Mumbai – 400 051

Dear Sirs,

Sub : Outcome of Board meeting
Ref : Intimation under Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing regulations”)
Symbol : ELGIRUBCO

The Board of Directors of the Company, at their meeting held today, Friday, 09th February, 2024, had inter alia considered and approved the following matters:

1. Approval to write-off the outstanding interest receivable from overseas wholly owned subsidiaries

Based on the recommendation and approval of the Audit Committee, the Board of Directors has approved to restructure by way of writing off the accumulated outstanding interest on the loans and advances, aggregating to Rs.63.76 million, payable by the following overseas wholly-owned subsidiaries to the Company as on 31st December, 2023, as per the details given below, subject to the applicable regulations / guidelines of the Reserve Bank of India:

Sl. No.	Name of the wholly-owned subsidiary	Amount of Outstanding interest as on 31-12-2023 written off
1	Elgi Rubber Company LLC, USA	12.41 Million
2	Borrachas e Equipamentos Elgi Ltda, Brazil	34.65 Million
3	Elgi Rubber Company Holdings B.V, The Netherlands	16.70 Million

Further, based on the recommendation and approval of the Audit Committee, the Board of Directors has approved to enter into an agreement with the above overseas wholly owned subsidiaries for the purpose of restructuring by way of writing off the interest on the loans and advances payable by the above overseas wholly-owned subsidiaries to the Company for the period up to 31st March, 2025, subject to the permissible limits prescribed under the applicable regulations / rules / guidelines of the Reserve Bank of India.



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The disclosure required under Regulation 30 read with Schedule III of the Listing Regulations and the SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 read with SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, is given as **Annexure-A**.

2. Approval of the Unaudited Financial Results for the quarter and nine months ended 31st December, 2023

Pursuant to Regulation 33 of the Listing Regulations, we enclose herewith the unaudited financial results (standalone & consolidated) for the quarter and nine months ended 31st December, 2023 along with the Limited Review Report issued by the Statutory Auditor dated 09th February, 2024. Further, it is informed that the Statutory Auditor have expressed an unmodified opinion in this regard.

Pursuant to Regulation 47 of the Listing Regulations, the extract of the consolidated unaudited financial results for the quarter and nine months ended 31st December, 2023 will be published in the prescribed format in English and Tamil language newspapers within the prescribed time. The above financial results will also be made available on the Company's website www.elgirubber.com

3. Approval of capacity addition in the plant situated in Annur, Coimbatore District

The Board of Directors has approved the capital expenditure to be incurred by the Company for increasing the manufacturing capacity by way of purchasing and installing additional machineries at the plant situated in Annur, Coimbatore District. The disclosure required under Regulation 30 read with Schedule III of the Listing Regulations and the SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 read with SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, is given as **Annexure-B**.

4. Approval to sell or otherwise dispose off the assets in material wholly owned subsidiary (step down) in Netherlands

Based on the recommendation and approval of the Audit Committee and as a part of strategic restructuring, the Board of Directors has granted their approval to sell or otherwise dispose off the whole or substantially the whole of the assets amounting to more than twenty percent of the assets of its wholly-owned material step down subsidiary viz., Rubber Resources B.V., The Netherlands, to any unrelated third party, subject to the approval of the shareholders by means of a special resolution in accordance with Regulation 24(6) of the Listing Regulations and subject to such other applicable laws.



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5. Approval to conduct Postal Ballot process (through remote e-voting) to obtain the approval of the shareholders

The Board of Directors has decided to conduct Postal Ballot process through remote e-voting means in accordance with the relevant circulars issued by the Ministry of Corporate Affairs to obtain the approval of the shareholders by means of passing necessary special resolution under Regulation 24(6) of the Listing Regulations. Accordingly, the Board of Directors has appointed C N Paramasivam (FCS 4654/ COP 3687 / Peer Review No.3167/2023), Practicing Company Secretary, Coimbatore as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner and for ascertaining the requisite majority.

The meeting commenced at 02:30 PM (IST) and concluded at 04:25 PM (IST).

Kindly take the same on record.

Thanking you,

Yours faithfully,

For Elgi Rubber Company Limited

FAIZUR REHMAN
ALLAUDEEN

Digitally signed by FAIZUR
REHMAN ALLAUDEEN
Date: 2024.02.09 16:30:25
+05'30'

Faizur Rehman Allaudeen
Company Secretary
M. No. 70055

Encl: As above



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ANNEXURE-A

DISCLOSURE REQUIRED UNDER REGULATION 30 READ WITH SCHEDULE III OF THE LISTING REGULATIONS AND THE SEBI CIRCULAR NO.CIR/CFD/CMD/4/2015 DATED SEPTEMBER 9, 2015 READ WITH SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 DATED JULY 13, 2023

a.	Details and reasons for restructuring	<p>Based on the recommendation and approval of the Audit Committee, the Board of Directors has approved to restructure by way of writing off the accumulated outstanding interest on the loans and advances, aggregating to Rs.63.76 million, payable by the following overseas wholly-owned subsidiaries to the Company as on 31st December, 2023, as set out herein above, subject to the applicable regulations / guidelines of the Reserve Bank of India;</p> <p>Elgi Rubber Company LLC, USA Borrachas e Equipamentos Elgi Ltda, Brazil Elgi Rubber Company Holdings B.V., The Netherlands</p> <p>Further, based on the recommendation and approval of the Audit Committee, the Board of Directors has approved to enter into an agreement with the above overseas wholly owned subsidiaries for the purpose of restructuring by way of writing off the interest on the loans and advances payable by the above overseas wholly-owned subsidiaries to the Company for the period up to 31st March, 2025, subject to the permissible limits prescribed under the applicable regulations / guidelines of the Reserve Bank of India.</p>
b.	Quantitative and/ or qualitative effect of restructuring	<p>The writing off the accumulated outstanding interest on the loans and advances aggregating to Rs.63.76 million and the proposed writing off interest for the period up to 31st March, 2025, in favour of Elgi Rubber Company LLC, USA; Borrachas e Equipamentos Elgi Ltda, Brazil; Elgi Rubber Company Holdings B.V., The Netherlands, would reduce the interest burden and related costs in the respective wholly-owned subsidiaries</p>



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		and it would further help in improving the financial position of the respective wholly-owned subsidiaries.
c.	Details of benefit, if any, to the promoter/promoter group/group companies from such proposed restructuring	There is no benefit to the promoter/promoter group/group companies due to the above writing off the interest on the loans and advances.
d.	Brief details of change in shareholding pattern (if any) of all entities	There will be no change in shareholding pattern of the Company or its wholly owned subsidiaries or any other entity due to the above writing off the interest on the loans and advances.

ANNEXURE-B

DISCLOSURE REQUIRED UNDER REGULATION 30 READ WITH SCHEDULE III OF THE LISTING REGULATIONS AND THE SEBI CIRCULAR NO.CIR/CFD/CMD/4/2015 DATED SEPTEMBER 9, 2015 READ WITH SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 DATED JULY 13, 2023

a)	Existing Capacity	1. Envelopes - 5600 Nos (Annur, Coimbatore) 2. Repair units - 10,00,000 Nos (Annur, Coimbatore)
b)	Existing capacity utilization	1. Envelopes - 78% (Annur, Coimbatore) 2. Repair units - 70% (Annur, Coimbatore)
c)	Proposed capacity addition	1. Envelopes – Addition of 2000 Nos (Annur, Coimbatore)
d)	Period within which the proposed capacity is to be added	Capacity is intended to be added at the plant in Annur, Coimbatore District from March, 2024.
e)	Investment required	Estimated at Rs. 3 Crores
f)	Mode of financing	Through internal funds and borrowed funds
g)	Rationale	The proposed capacity addition would help to cater the current demand for the envelopes