



**Independent Auditors report on special purpose financial information prepared for consolidation purposes**

To  
M/s. Arun & Co,  
Chartered Accountants  
1/1, MELA KULA PILLIYAR KOVIL STREET,  
MELA KULAVANIGARPURAM,  
OPP TO ST. THOMAS CHURCH  
SOUTH BYE-PASS ROAD  
KURUCHI, TIRUNELVELI - 627005

As requested in your instructions 'Elgi Rubber Company Limited Group Audit instructions' dated May 5, 2025, I have audited for purposes of your audit of the consolidated financial statements of Elgi Rubber Company Limited. The accompanying special purpose information of ELGI Rubber Company Limited, Sri Lanka, as of March 31, 2025 and for the year then ended of the accompanying financial reporting package of Elgi Rubber Company Limited. This special purpose financial statements prepared solely to enable Elgi Rubber Company Limited to prepare its consolidated financial statements.

**Management responsibility for the special purpose financial information:**

Management is responsible for the preparation of this special purpose financial information in accordance with policies and instructions contained in Elgi Rubber Company Limited Accounting Manual / Accounting policies and for such internal control as management determines is necessary to enable the preparation of special purpose financial information that is free from material misstatement, whether due to fraud or error.

**Auditor's responsibility:**

My responsibility is to express an opinion on this special purpose financial information based on my audit. I conducted my audit in accordance with International standards on Auditing required that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the special purpose financial information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial information. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the special purpose financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of these special purpose financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, made by management, as well as evaluating the overall presentations of these special purpose financial information.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion the conclusions reached in forming my opinion as based on the component materiality level specified by you in the context of the audit of the consolidated statements of the group.



## Opinion

In my opinion, in the accompanying special purpose financial information for ELGI Rubber Company Limited, Sri Lanka, as of March 31, 2025, and for the year ended has been prepared, in all material respects in accordance with the policies and instructions contained in Elgi Rubber Company Limited accounting manual / accounting policies.

## Restrictions on use

The special purpose financial information has been prepared for purpose of providing information to Elgi Rubber Company Limited to enable it to prepare the consolidated financial statements of the Group as a result, the special purpose financial information is not a complete set of financial statements of ELGI Rubber Company Limited, Sri Lanka, in accordance with Ind AS (Indian IFRS) and is not intended to the true and fair view of/ present fairly, in all material respects, the financial position of ELGI Rubber Company Limited, Sri Lanka, as of March 31, 2025 and of its financial performance, for the year then ended in accordance with Ind AS. The financial information may, therefore, not be suitable for another purpose.

This report is intended solely for M/s. Arun & Co, Chartered Accountants, and should not be used by other parties.

For Garisenuru and Co

Chartered Accountant

Firms Registration No: 0186665

*Subba Reddy*

Subba Reddy G

Proprietor

Membership No.:244907



Date: 28<sup>th</sup> May 2025

UDIN: 25244907BMRKDP6388

Elgi Rubber Company Limited, Sri Lanka  
Balance Sheet as at 31 MAR 2025  
All amounts in INR Million

Particulars	Notes	As at 31 Mar 2025	As at 31 Mar 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	0.73	0.39
Intangible assets		0.07	0.12
Capital work in progress		-	-
Goodwill on consolidation		-	-
Financial assets			
i) Investments		-	-
ii) Loans		-	-
iii) Other financial asset		-	-
Deferred tax asset (Net)		-	-
Other non-current assets		-	-
<b>Total non-current assets</b>		<b>0.80</b>	<b>0.51</b>
<b>Current assets</b>			
Inventories	5	19.94	20.98
Financial assets			
i) Trade receivables	6	19.75	25.10
ii) Cash and cash equivalents	7	1.00	4.66
iii) Bank balances other than above	8	25.08	7.26
iv) Loans	8A	-	0.12
v) Other Financial Assets		-	-
Other current assets	9	5.27	3.50
<b>Total current assets</b>		<b>71.04</b>	<b>61.62</b>
<b>Total Assets</b>		<b>71.84</b>	<b>62.13</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	10	2.87	2.76
Other equity	11	61.80	45.43
<b>Total equity</b>		<b>64.67</b>	<b>48.19</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings		-	-
Provisions		-	-
Deferred tax liabilities (Net)	12	0.87	7.50
<b>Total non-current liabilities</b>		<b>0.87</b>	<b>7.50</b>



<b>Current liabilities</b>			
Financial liabilities			
i) Borrowings		-	-
ii) Trade payables	13	-	0.65
Provisions	14	4.00	3.34
Other current liabilities	15	2.30	2.45
<b>Total current liabilities</b>		<b>6.30</b>	<b>6.44</b>
<b>Total liabilities</b>		<b>7.17</b>	<b>13.94</b>
<b>Total Equity and Liabilities</b>		<b>71.84</b>	<b>62.13</b>

The accompanying notes form an integral part of the financial statements

For Garisenuru & Co  
Chartered Accountant  
ICAI Firms' Registration No.0186655

*Subba Reddy G*

Subba Reddy G

Proprietor

Membership No.244907

UDIN:25244907BMRKDP6388

Date:28th May 2025

Place: Bengaluru





Elgi Rubber Company Limited, Sri Lanka

Statement of Profit and Loss for the period ended 31 MAR 25

All amounts in INR Million

Particulars	Notes	Period ended 31 Mar 2025	Period ended 31 Mar 2024
<b>Income</b>			
Revenue from operations	16	43.88	44.27
Other income	17	2.07	0.11
<b>Total income</b>		<b>45.95</b>	<b>44.38</b>
<b>Expenses</b>			
Cost of materials consumed	18	27.06	29.67
Purchase of stock in trade		-	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade		-	-
Employee Benefits Expense	19	3.79	3.02
Depreciation and amortisation expense	20	0.24	0.19
Other expenses	21	4.77	7.52
Finance costs	22	0.13	0.30
<b>Total expenses</b>		<b>35.99</b>	<b>40.70</b>
<b>Profit before exceptional items and tax</b>		<b>9.97</b>	<b>3.68</b>
Exceptional items		-	-
<b>Profit before tax from continuing operations</b>		<b>9.97</b>	<b>3.68</b>
<b>Income tax expense</b>			
Current tax	23	4.50	1.93
Deferred tax charge/ (credit)	24	(3.33)	(7.24)
<b>Profit for the year</b>		<b>8.80</b>	<b>8.99</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		-	-
Income tax relating to these items		-	-
<b>Other comprehensive income for the year, net of tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>8.80</b>	<b>8.99</b>

The accompanying notes form an integral part of the financial statements

For Garisenuru & Co

Chartered Accountant

ICAI Firms' Registration No.0186665

*Subba Reddy*

Subba Reddy G

Proprietor

Membership No.244907

UDIN:25244907BMRKDP6388

Date:28th May 2025

Place: Bengaluru



**Note - 1: Property, plant and equipment & Intangible assets**

Particulars	Tangible assets				Intangible assets	Total Assets
	Building	Plant and Equipment	Vehicles	Total		
Cost at 31st March 2024	1.93	6.40	0.03	8.35	0.22	8.57
Additions		0.50		0.50		0.50
Disposals/Adjustments				0.00		0.00
Exchange difference(FCTR)	0.08	0.06	0.00	0.14	0.00	0.14
Cost at 31st March 2025	2.01	6.96	0.03	9.00	0.22	9.21
Depreciation&Amortisation						
As at 31st March 2024	1.93	6.01	0.03	7.96	0.10	8.06
Charges for the year		0.19		0.19	0.05	0.24
Disposals				0.00		0.00
Exchange difference(FCTR)	0.10	0.00	0.00	0.10	0.00	0.10
As at 31st March 2025	2.03	6.20	0.03	8.26	0.15	8.40
Net Block						
As at 31st March 2024	-	0.39	0.00	0.39	0.12	0.51
As at 31st March 2025	(0.02)	0.76	0.00	0.73	0.07	0.80



Elgi Rubber Company Limited, Sri Lanka  
Notes to Financial Statements for the year ended Mar 31, 2025  
All amounts in INR Million

Particulars	As at 31.03.2025	As at 31.03.2024
<b>5 Inventories</b>		
Raw Materials	19.94	20.98
	<b>19.94</b>	<b>20.98</b>
<b>6 Trade receivables</b>		
Outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	20.17	25.50
Unsecured, considered doubtful	-	-
Other debts		
Unsecured, considered good	-	-
Unsecured, considered doubtful	-	-
	20.17	25.50
Less : Allowance for expected credit losses	(0.42)	(0.40)
	<b>19.75</b>	<b>25.10</b>
<b>7 Cash and cash equivalents</b>		
Cash on hand	0.01	0.01
Balances with banks		
In current accounts	0.99	4.65
	<b>1.00</b>	<b>4.66</b>
<b>8 Other Bank Balances</b>		
In fixed deposits maturing within next 12 months	25.08	7.26
	<b>25.08</b>	<b>7.26</b>
<b>8A Other Loans and Receivables</b> (Unsecured, considered good)		
Loans to employees	-	0.12
	<b>-</b>	<b>0.12</b>
<b>9 Other current assets</b>		
Prepaid expenses	0.17	0.13
Balance with govt authorities:	0.09	0.07
Vat credit receivable	0.05	1.68
Advance recoverable in cash or in kind or for value to be received	1.97	-
Interest accrued on Deposits	0.99	-
Advance payment of Income tax	2.00	1.62
	<b>5.27</b>	<b>3.50</b>



Elgi Rubber Company Limited, Sri Lanka

Notes to Financial Statements for the year ended Mar 31, 2025

All amounts in INR Million

	Particulars	As at 31.03.2025	As at 31.03.2024
10	<b>Capital</b>		
	Subscribed and fully paid up share capital	2.87	2.76
		<b>2.87</b>	<b>2.76</b>
11	<b>Other Equity</b>		
	General Reserve	26.24	26.24
	Foreign Currency Translation Reserve	(25.89)	(33.46)
	Retained earnings	61.45	52.65
		<b>61.80</b>	<b>45.43</b>
	<b>a) General Reserve</b>		
	Balance at the beginning of the year	26.24	26.24
	Additions/ (deductions) during the year	-	-
	Balance at the end of the year	<b>26.24</b>	<b>26.24</b>
	<b>b) Foreign Currency Translation Reserve</b>		
	Balance at the beginning of the year	(33.46)	(26.52)
	Additions/ (deductions) during the year	7.57	(6.94)
	Balance at the end of the year	<b>(25.89)</b>	<b>(33.46)</b>
	<b>c) Retained earnings</b>		
	Balance at the beginning of the year	52.65	43.66
	Net profit for the period	8.80	8.99
	Balance at the end of the year	<b>61.45</b>	<b>52.65</b>
12	<b>Deferred tax liabilities (Net)</b>		
	Deferred tax liabilities (Net)	0.87	7.50
	<b>Total</b>	<b>0.87</b>	<b>7.50</b>
13	<b>Trade payables</b>		
	Trade payables	-	0.65
	<b>Total</b>	<b>-</b>	<b>0.65</b>
14	<b>Provisions (Current)</b>		
	Provision for Income Tax(Net)	4.00	3.34
	<b>Total</b>	<b>4.00</b>	<b>3.34</b>
15	<b>Other current liabilities</b>		
	Statutory Dues Payable	1.99	2.12
	Employee benefits payable	0.32	0.33
	<b>Total</b>	<b>2.30</b>	<b>2.45</b>





Elgi Rubber Company Limited, Sri Lanka  
Notes to Financial Statements for the year ended Mar 31, 2025  
All amounts in INR Million

		Period ended 31.03.2025	Period ended 31.03.2024
16	<b>Revenue from Operations</b>		
	Sale of Products	43.88	44.27
		<b>43.88</b>	<b>44.27</b>
17	<b>Other income</b>		
	Interest Income	1.11	0.11
	Other non operating Income (Refer 18(a))	0.96	0.00
		<b>2.07</b>	<b>0.11</b>
18(a)	<b>Other Non - Operating Income</b>		
	Net gain on foreign currency transactions and translations	0.96	0.00
	Claims received from Insurance Company	-	-
		<b>0.96</b>	<b>-</b>
18	<b>Cost of materials consumed</b>		
	Raw material Consumed	27.06	29.67
		<b>27.06</b>	<b>29.67</b>
19	<b>Employee benefits expense</b>		
	Salaries, wages and bonus	2.90	2.21
	Contribution to provident and other funds	0.26	0.20
	Gratuity paid (net of reversals)	0.50	0.47
	Staff welfare expenses	0.13	0.14
		<b>3.79</b>	<b>3.02</b>
20	<b>Depreciation and amortisation expense</b>		
	Depreciation of property, plant and equipment	0.24	0.19
	Amortisation on intangible assets	-	0.00
		<b>0.24</b>	<b>0.19</b>
21	<b>Other expenses</b>		
	Power and fuel	1.35	1.85
	Repairs and Maintenance – Plant and machinery	0.66	0.17
	Repairs and Maintenance – Building	0.11	0.20
	Repairs and Maintenance – Others	0.61	0.78
	Insurance	0.24	0.21
	Rates and taxes	0.11	0.10
	Travelling and conveyance	0.11	0.06
	Auditors' Remuneration	0.29	0.18
	Net loss on foreign currency transactions and translations	-	2.74
	Professional fees	0.02	0.05
	Carriage Inward	0.32	0.51
	Freight charges	-	0.00
	Miscellaneous expenses	0.95	0.67
		<b>4.77</b>	<b>7.52</b>



Elgi Rubber Company Limited, Sri Lanka

Notes to Financial Statements for the year ended Mar 31, 2025

All amounts in INR Million

		Period ended	Period ended
22	Finance Cost		
	Interest on Borrowings		
	On borrowings from banks	0.01	-
	Interest paid to related party	-	0.05
	Others	0.12	-
	Financial charges on borrowings	-	0.25
		0.13	0.30
24	Tax expense		
	Current tax	4.50	1.93
		4.50	1.93
25	Deferred tax		
	Deferred tax	(3.33)	(7.24)
		(3.33)	(7.24)

