



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 05, 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 LLC, USA, 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 LLC, USA, 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 LLC, USA, 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 LLC, USA, 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: 018666S

Subba Reddy



Subba Reddy G
Proprietor
Membership No.: 244907

Date: 29th May 2025
UDIN: 25244907BMRKDT1555

Elgi Rubber Company LLC,USA

Balance Sheet as at 31 MAR 2025

All amounts in Local Currency _ INR Million

Particulars	Notes	As at	As at
		31 MAR,2025	31 MAR, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	1	74.69	45.98
Intangible assets	1	1.46	1.57
Capital work in progress	2	17.09	-
Goodwill on consolidation		102.60	102.56
Financial assets			
Investments		-	-
Loans		-	-
Other non-current financial asset		-	-
Deferred tax asset (Net)	3	23.57	22.94
Other non-current assets		-	-
Total non-current assets		219.41	173.05
Current assets			
Inventories	4	213.22	190.63
Financial assets			
Trade receivables	5	87.49	71.20
Cash and cash equivalents	6	32.42	19.05
Bank balances other than above			
Loans	7	-	0.56
Other Financial Assets		-	-
Other current assets	8	35.04	90.87
Total current assets		368.17	372.31
Total Assets		587.58	545.36
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	299.53	291.81
Reserves & Surplus	10	(80.65)	(324.88)
Total equity		218.88	(33.07)



Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	11	111.26	158.41
Other financial liabilities		-	-
Provisions		-	-
Deferred tax liabilities (Net)		-	-
Total non-current liabilities		111.26	158.41
Current liabilities			
Financial liabilities			
Borrowings	12	172.94	292.07
Trade payables	13	60.96	78.62
Short Term Provisions	14	3.99	4.80
Other current liabilities	15	19.55	44.54
Total current liabilities		257.44	420.03
Total liabilities		368.70	578.44
Total Equity and Liabilities		587.58	545.37

The accompanying notes form an integral part of the financial statements

For Garisenuru & Co

Chartered Accountant

ICAI Firms' Registration No. 018666

Subba Reddy G

Subba Reddy G

Proprietor

Membership No.244907



UDIN: 25244907BMRKDT1555

Date: 28th May 2025

Elgi Rubber Company LLC, USA

Profit and Loss account period ended 31 Mar 2025

All amounts in Local Currency _ INR Million

	Particulars	Notes	For the Period 31 MAR,2025	For the Period 31 MAR, 2024
Continuing Operations				
A	Income			
	Revenue from operations	16	434.52	437.19
	Other income	17	52.26	57.36
	Total income		486.78	494.55
B	Expenses			
	Cost of materials consumed	18	155.95	191.65
	Purchase of stock in trade - Traded goods	19	24.52	-
	Changes in inventories of finished goods		-	-
	Employee Benefits Expense	20	94.29	90.04
	Depreciation and amortisation expense	21	2.38	8.05
	Other expenses	22	102.48	129.57
	Finance costs	23	23.21	34.10
	Total expenses		402.83	453.41
C	Profit before exceptional items and tax		83.95	41.14
	Exceptional items	24	169.17	-
D	Profit before tax from continuing operations		253.12	41.14
	Income tax expense	25		
	Current tax		3.79	3.68
	Deferred tax charge/ (credit)		-	(2.79)
	Profit for the year		249.33	40.25
E	Other comprehensive income			
	Items that will not be reclassified to profit or loss			
	Remeasurement of post employment benefit obligations		-	-
	Income tax relating to these items		-	-
	Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year			249.33	40.25

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: 25244907BMRKDT1555

Date: 28th May 2025

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

Particulars	Tangible assets						Intangible assets	Total Assets
	Land	Building	Plant and Equipment	Furniture and Fittings	Vehicles	Total		
Cost at 31st March 2024	4.22	64.20	105.61	3.34	1.41	178.77	70.34	249.11
Additions	46.6	11.54				58.13		58.13
Disposals/Adjustments	2.29	43.31				45.60		45.60
Exchange difference(FCTR)	0.05	0.57	2.94	0.03	0.01	3.61	0.62	4.23
Cost at 31st March 2025	48.57	33.00	108.55	3.37	1.42	194.91	70.96	265.87
Depreciation&Amortisation								
As at 31st March 2024	-	23.77	104.28	3.34	1.41	132.80	68.77	201.57
Charges for the year		0.58	1.27			1.85	0.11	1.96
Disposals		16.15				16.15		16.15
Exchange difference(FCTR)		0.21	1.47	0.03	0.01	1.72	0.62	2.34
As at 31st March 2025	-	8.41	107.02	3.37	1.42	120.22	69.50	189.72
Net Block								
As at 31st March 2024	4.22	40.43	1.33	0.00	-	45.98	1.57	47.55
As at 31st March 2025	48.57	24.58	1.53	0.00	0.00	74.69	1.46	76.15



Elgi Rubber Company LLC, USA

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

All amounts in Local Currency - INR Million

	For the Period 31 MAR, 2025	For the Period 31 MAR, 2024
2 Capital Work-in-progress		
Capital work in progress	17.09	-
	17.09	-
3 Non-current assets- Deferred tax asset (Net)		
Expenses allowable for tax purposes when paid	23.57	22.94
MAT Credit Entitlement	23.57	22.94
	23.57	22.94
4 Inventories		
Raw Materials	150.31	158.11
Work-in-progress	30.68	10.34
Finished products	31.84	22.18
Goods in Transit	0.39	-
	213.22	190.63
5 Trade receivables		
Outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	87.49	71.20
Unsecured, considered doubtful	-	-
	87.49	71.20
Less : Allowance for expected credit losses	-	-
	87.49	71.20
6 Cash and cash equivalents		
Cash on hand	0.03	0.05
Balances with banks		
In current accounts	32.39	19.00
	32.42	19.05
7 Other Loans and Receivables		
(Unsecured, considered good)		
Loans to employees	-	0.56
	-	0.56
8 Other current assets		
(Unsecured, considered good)		
Prepaid expenses	9.67	10.29
Advance recoverable in cash or in kind or for value to be received	25.37	80.58
	35.04	90.87
9 Capital		
Subscribed and fully paid up share capital	299.53	291.81
	299.53	291.81



		For the Period 31 MAR, 2025	For the Period 31 MAR, 2024
10	Other Equity		
	General Reserve	120.11	120.11
	Foreign Currency Translation Reserve	(251.25)	(246.13)
	Retained earnings	50.49	(198.86)
		(80.65)	(324.88)
	a) General Reserve		
	Balance at the beginning of the year	120.11	120.11
	Additions/ (deductions) during the year		
	Balance at the end of the year	120.11	120.11
	b) Foreign Currency Translation Reserve		
	Balance at the beginning of the year	(246.13)	(241.91)
	Additions/ (deductions) during the year	(5.12)	(4.22)
	Balance at the end of the year	(251.25)	(246.13)
	h) Retained earnings		
	Balance at the beginning of the year	(198.85)	(239.10)
	Net profit for the period	249.33	40.25
	Balance at the end of the year	50.49	(198.85)
11	Long Term Borrowings		
	Term Loans (Secured)		
	From Banks	111.26	158.41
		111.26	158.41
12	Current liabilities - Financial Liabilities: Borrowings		
	Unsecured		
	From banks	57.90	62.53
	Loans from related parties	115.04	229.54
	Total	172.94	292.07
13	Trade payables		
	Trade payables	60.96	78.62
	Total	60.96	78.62
14	Provisions (Current)		
	Provision for Income Tax(Net)	3.99	4.80
	Total	3.99	4.80
15	Other current liabilities		
	Statutory Dues Payable	1.02	0.83
	Employee benefits payable	13.24	11.47
	Other Payable to related party	-	22.91
	Other payables	4.24	8.37
	Advance and deposits from customers etc.,	1.05	0.96
	Total	19.55	44.54



Elgi Rubber Company LLC, USA

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

All amounts in Local Currency _ INR Million

	Period Ended 31 MAR, 2025	Period Ended 31 MAR, 2024
16 Revenue from Operations		
Sale of Products	433.26	435.88
Sale of Service	1.26	1.31
	434.52	437.19
17 Other income		
Other non operating income	52.26	57.36
	52.26	57.36
17(a) Other Non - Operating Income		
Profit on sale of fixed assets (net)	-	3.76
Income - Commission	37.50	20.93
Miscellaneous income	14.76	32.67
	52.26	57.36
18 Cost of materials consumed		
Raw material Consumed	155.95	191.65
Opening inventory	-	-
Add: Purchase	-	-
Less: Inventory at the end of the period	-	-
	155.95	191.65
20 Employee benefits expense		
Salaries, wages and bonus	2.45	-
Managerial remuneration	90.11	88.68
Staff welfare expenses	1.73	1.36
	94.29	90.04
21 Depreciation and amortisation expense		
Depreciation of property, plant and equipment	2.38	8.05
Amortisation on intangible assets		
	2.38	8.05



Elgi Rubber Company LLC, USA

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

All amounts in Local Currency _ INR Million

22 Other expenses		
Packing Materials consumed	4.94	5.67
Power and fuel	8.78	6.97
Rent	-	0.79
Labour charges	6.77	18.79
Repairs and Maintenance – Plant and machinery	3.46	2.66
Repairs and Maintenance – Building	2.01	3.13
Repairs and Maintenance – Others	3.14	0.64
Insurance	7.36	9.17
Rates and taxes	-	7.54
Travelling and conveyance	1.09	1.65
Auditors' Remuneration (see note below)	0.61	1.17
Professional fees	3.41	2.26
Advertisement and other selling expenses	30.27	30.96
Carriage Inward	3.44	3.28
Freight charges	21.89	20.83
Bad Debts	3.63	11.48
Miscellaneous expenses	1.69	2.58
	102.48	129.57
23 Finance Cost		
Interest on Borrowings		
On borrowings from banks	18.29	31.04
Others	4.92	3.06
	23.21	34.10
24 Tax expenses		
Current tax on profits	3.79	3.68
	3.79	3.68
Deferred Tax	-	(2.79)
	3.79	0.90

