



Elgi Rubber Company Limited

2000 Trichy Road • Coimbatore 641 005 • India • CIN : L25119TZ2006PLC013144
+91 (422) 232 1000 • info@in.elgirubber.com • www.elgirubber.com

Ref: ERCL/SEC/2020/Nov/4

11th November, 2020

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

Dear Sir,

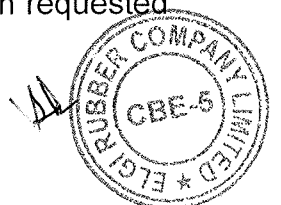
Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Symbol: ELGIRUBCO

In accordance with provisions of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Postal Ballot Notice dated 5th November, 2020, sent today to the Shareholders of the company, for obtaining the approval of the members for the following Ordinary/Special resolutions:

1. Appointment of Harsha Varadaraj (DIN: 06856957) as Director of the Company;
2. Approval for the appointment of Harsha Varadaraj (DIN: 06856957) as Whole-time Director of the Company for a period of 3 years with effect from 6th November, 2020 and the remuneration payable to him;
3. Approval to continue the payment of remuneration to Sudarsan Varadaraj (DIN: 00133533), Chairman and Managing Director, for the remaining period of his current tenure in accordance with Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
4. Approval for the payment of remuneration to Sudarsan Varadaraj (DIN: 00133533), Chairman and Managing Director, for a period of 3 years with effect from 1st January, 2021 in accordance with Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In compliance with the General Circular(s) No.14/2020 dated April 8, 2020, No. 17/2020 dated April 13, 2020, No.22/2020 dated June 15, 2020 and No.33/2020 dated 28th September 2020 issued by the Ministry of Corporate Affairs ("the MCA Circulars"), the Postal Ballot Notice has been sent to all the shareholders, who have registered their email addresses with the Company/RTA or depository/depository participants and the hard copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business envelope are not being sent to the shareholders for this Postal Ballot. The shareholders have been requested to communicate their assent or dissent through the remote e-voting system only.





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The Company is providing e-voting facility to enable the shareholders to vote on the resolution(s) proposed in the aforesaid notice. The Company has availed the services of Link Intime India Pvt. Ltd ("LIPL") for providing the e-voting facility.

Further, the Company has fixed 6th November, 2020, as the cut-off date to determine the shareholders, who are eligible to cast their vote through electronic means on the resolutions mentioned in the said Notice. The voting period for e-voting commences on Thursday, 12th November, 2020 at 9:00 AM and ends on Friday 11th December, 2020 at 5:00 PM.

A copy of the Postal Ballot Notice has also been uploaded on the website of the Company www.elgirubber.com. The Company will announce the results of the Postal Ballot (e-voting) on or before 5:00 PM on Saturday, 12th December, 2020 to the stock exchange along with the Scrutinizer's report within the prescribed time.

We request you to kindly take note of the same.

Yours Sincerely,
For Elgi Rubber Company Limited

A handwritten signature in black ink, appearing to read "V Santhanakrishnan".

V Santhanakrishnan
Company Secretary & Compliance officer

Encl.: Postal Ballot Notice dated 5th November 2020



Elgi Rubber Company Limited

CIN : L25119TZ2006PLC013144

Regd. Office: 2000, Trichy Road, Coimbatore-641 005, Tamil Nadu

Tel: 0422-4321000| Fax: 0422-2322222

E-Mail: info@in.elgirubber.com | Web: www.elgirubber.com

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014]

Dear Shareholder(s),

Notice is hereby given pursuant to the provisions of Sections 108 and 110 of the Companies Act, 2013 (“the Act”), read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 (“the Rules”) and other applicable provisions, if any, of the Act and Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) and the General Circulars No.14/2020 dated April 8, 2020, No. 17/2020 dated April 13, 2020, No. 22/2020 dated June 15, 2020 and No.33/2020 dated September 28, 2020 respectively, issued by the Ministry of Corporate Affairs, Government of India (hereinafter collectively referred to as “MCA Circulars”), as amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), for seeking approval of the shareholders by way of the following ordinary / special resolution(s) (as indicated) through postal ballot (“Postal Ballot”) only through remote e-voting;

1. Appointment of Harsha Varadaraj (DIN: 06856957) as Director of the Company;
2. Approval for the appointment of Harsha Varadaraj (DIN: 06856957) as Whole-time Director of the Company for a period of 3 years with effect from 6th November, 2020 and the remuneration payable to him;
3. Approval to continue payment of remuneration to Sudarsan Varadaraj (DIN: 00133533), Chairman and Managing Director, for the remaining period of his current tenure in accordance with Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
4. Approval for the payment of remuneration to Sudarsan Varadaraj (DIN: 00133533), Chairman and Managing Director, for a period of 3 years with effect from 1st January, 2021 in accordance with Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Based on the recommendation of the Nomination and Remuneration Committee and the approval of the Audit Committee, the Board of Directors of the Company, at their meeting held on 5th November, 2020, has approved the above matters, subject to, inter alia, the requisite approval of the shareholders of the Company and such other authorities as may be required.

The statement setting out the material facts concerning the resolution(s) set out in Item No. 1 to 4 of the Postal Ballot Notice dated 5th November, 2020 pursuant to Section 102(1) read with Schedule V of the Companies Act, 2013 and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed and form part of this notice. The Postal Ballot Notice dated 5th November, 2020 is also placed on the website of the Company www.elgirubber.com.

In view of the current circumstances prevailing due to COVID-19 pandemic and in furtherance to the aforesaid MCA Circulars and pursuant to Section 110 of the Companies Act, 2013 and the Rules made thereunder, the Company will send Postal Ballot Notice by email to all its shareholders, who have registered their email addresses with the Company or depository/depository participants and the communication of assent/dissent of the members will only take place through the remote e-voting system. This Postal Ballot is accordingly being initiated in compliance with the above MCA Circulars.

In compliance with the requirements of the MCA Circulars, hard copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business envelope will not be sent to the shareholders for this Postal Ballot and shareholders are requested to communicate their assent or dissent through the remote e-voting system only.

The Board of Directors of the Company, vide their resolution passed on 5th November, 2020, has appointed R Jayachandran, Partner, M/s. RJC Associates (FRN 003496S), Chartered Accountants, Coimbatore as the Scrutinizer for conducting the Postal Ballot voting through electronic means in a fair and transparent manner and for ascertaining the requisite majority in compliance with Rule 22(5)&(6) of the Companies (Management and Administration) Rules, 2014.

Pursuant to Regulation 44 of the Listing Regulations and pursuant to the provisions of Sections 108 and 110 of the Companies Act, 2013 read with the Rules and the MCA Circulars, the Company has provided electronic voting (“e-voting”) facility only. The Company has engaged the services of Link Intime India Private Limited (“LIIP”) to provide e-voting facility to the Members of the Company through their Instavote platform at the link <https://instavote.linkintime.co.in>. Please refer the instructions for e-voting given herein after the Proposed Resolutions for the process and manner in which e-voting is to be carried out.

The e-voting platform will be opened for tendering your votes **from 9:00 AM on Thursday, the 12th November, 2020 to 5.00 PM on Friday, the 11th December, 2020**. Members are requested to read the instructions carefully while expressing their assent or dissent and cast votes via e-voting by not later than the close of business hours at 5.00 p.m. on **Friday, the 11th December, 2020**.

The Scrutinizer shall submit his report to the Chairman and Managing Director of the Company or any other Director authorized by him. The result of the postal ballot shall be announced on or before the close of business hours (i.e., 5.00 PM) on Saturday, 12th December, 2020 and the same shall be displayed on the website of the Company, Link Intime India Private Limited (LIPL) and communicated to National Stock Exchange of India Limited (NSE), being the stock exchange where the equity shares of the company are listed.

In the event, the resolutions as set out under Item No.1 to Item No.4 below are assented by the requisite majority of the members by means of Postal Ballot process, it shall be deemed to have been duly passed as Ordinary Resolution / Special Resolution(s), as the case may be, at the General Meeting of the Company and it shall be deemed to have been passed on Friday, the 11th December, 2020, the last date specified by the Company for e-voting.

The resolution(s) for the purpose as stated herein below are proposed to be passed by Postal Ballot/remote e-voting:

Item No.1:

Appointment of Harsha Varadaraj (DIN: 06856957) as Director of the Company

To consider and if thought fit, to give assent/dissent to the following resolution proposed to be passed as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Section 152, 160, 161 and other applicable provisions, if any, of the Companies Act, 2013 and the relevant Rules made thereunder and the Articles of Association of the Company, Harsha Varadaraj (DIN: 06856957), who was co-opted as an Additional Director of the Company by the Board of Directors to hold office with effect from 6th November, 2020 and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose Harsha Varadaraj (DIN: 06856957) as a candidate for the office of Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation.

Item No.2:

Approval for the appointment of Harsha Varadaraj (DIN: 06856957) as Whole-time Director of the Company for a period of 3 years with effect from 6th November, 2020 and the remuneration payable to him.

To consider and if thought fit, to give assent/dissent to the following resolution proposed to be passed as a **Special Resolution**:

RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and pursuant to Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the Nomination and Remuneration Policy and the provisions of the Articles of Association of the Company, Harsha Varadaraj (DIN: 06856957) be and is hereby appointed as Whole-time Director of the Company for a period of 3 (three) years with effect from 6th November, 2020 on the following terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and the Board of Directors at their respective meetings held on 5th November, 2020 notwithstanding that the aggregate annual remuneration payable to Harsha Varadaraj (DIN: 06856957), in any year, during his tenure as Whole-time Director together with the aggregate annual remuneration payable to Sudarsan Varadaraj (DIN: 00133533), Chairman and Managing Director, exceeds 5% of the net profits of the Company as calculated under Section 198 of the said Act;

- a. Salary: Not exceeding INR 36,00,000/- per annum;
- b. Commission on net profits:

At the discretion of the Board and the amount determined shall be subject to the limits laid down under Section 197 and 198 of the Companies Act, 2013

- c. Perquisites:

In addition to the salary and commission, the Whole-time Director shall also be entitled to the following perquisites and benefits:

- i. Provision of Company car with driver for use on Company's business and telephone facility at his residence.
- ii. Furnished accommodation, where accommodation is not provided, 50% of the salary as HRA, gas, electricity, water, furnishings, medical reimbursement, LTA for self and family, club fees, medical insurance etc.

The above perquisites are restricted to an amount equal to the salary drawn per annum. For the purpose of calculating the above ceiling, perquisites shall be valued as per Income Tax rules wherever applicable.

- iii. Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund as per rules of the Company, to the extent it is not taxable under the Income Tax Act, 1961, shall not be included in the computation of the ceiling on remuneration or perquisites.

- iv. Gratuity payable shall not exceed half a month's salary for each completed year of service. The Whole-time Director is also entitled to encashment of leave at the end of tenure, which shall not be included in the computation of the ceiling on remuneration or perquisites.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the above remuneration shall be payable as minimum remuneration to Harsha Varadaraj (DIN: 06856957), Whole-time Director, as specified in Schedule V of the Companies Act, 2013 (as amended).

RESOLVED FURTHER THAT the Board of Directors (including its committees thereof) be and are hereby authorized to alter and vary the terms of appointment and/or remuneration payable to Harsha Varadaraj (DIN: 06856957) as it may deem fit, proper and necessary subject to the same not exceeding the above limits.

RESOLVED FURTHER THAT Harsha Varadaraj (DIN: 06856957), during his tenure as Whole-time Director, shall be liable to retire by rotation and the same shall not be treated as break in his service as Whole-time Director.

RESOLVED FURTHER THAT Harsha Varadaraj (DIN: 06856957) shall not be entitled to receive sitting fees for attending the meetings of the Board of Directors or any Committees thereof.

RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorized to take all such steps as may be necessary and/or give such directions as may be necessary, proper or expedient to give effect to the above resolution without being required to seek any further consent or approval of the members and the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

Item No.3:

Approval to continue the payment of remuneration to Sudarsan Varadaraj (DIN: 00133533), Chairman and Managing Director, for the remaining period of his current tenure in accordance with Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To consider and if thought fit, to give assent/dissent to the following resolution proposed to be passed as a **Special Resolution**:

RESOLVED THAT pursuant to Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the members of the Company be and is hereby accorded to continue the payment of remuneration to Sudarsan Varadaraj (DIN: 00133533) for the remaining period of his tenure as Chairman and Managing Director on such terms and conditions as approved by the members by an ordinary resolution passed under the provisions of Section 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended), at the 9th Annual General Meeting held on 26th September, 2015, notwithstanding that the aggregate annual remuneration payable to him during the remaining period of his tenure together with the aggregate annual remuneration payable to Harsha Varadaraj (DIN: 06856957), Whole-time Director, exceeds 5% of the net profits of the Company as calculated under Section 198 of the said Act.

RESOLVED FURTHER THAT all the existing terms and conditions of the appointment of and the remuneration payable to Sudarsan Varadaraj (DIN: 00133533), Chairman and Managing Director, including salary, commission and perquisites as per the ordinary resolution passed at the 9th Annual General Meeting held on 26th September, 2015 shall remain unchanged.

RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorized to take all such steps as may be necessary and/or give such directions as may be necessary, proper or expedient to give effect to the above resolution without being required to seek any further consent or approval of the members and the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

Item No.4:

Approval for the payment of remuneration to Sudarsan Varadaraj (DIN: 00133533), Chairman and Managing Director, for a period of 3 years with effect from 1st January, 2021 in accordance with Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To consider and if thought fit, to give assent/dissent to the following resolution proposed to be passed as a **Special Resolution**:

RESOLVED THAT pursuant to Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the members of the Company be and is hereby accorded for the payment of remuneration to Sudarsan Varadaraj (DIN: 00133533), Chairman and Managing Director, for a period of 3 years with effect from 1st January, 2021 on such terms and conditions as approved by the members by an ordinary resolution passed under the provisions of Section 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended), at the 14th Annual General Meeting held on 28th August, 2020, notwithstanding that the aggregate annual remuneration payable to him in any year during his

tenure as Chairman and Managing Director together with the aggregate annual remuneration payable to Harsha Varadaraj (DIN: 06856957), Whole-time Director, exceeds 5% of the net profits of the Company as calculated under Section 198 of the said Act.

RESOLVED FURTHER THAT all the terms and conditions of the appointment of and the remuneration payable to Sudarsan Varadaraj (DIN: 00133533), Chairman and Managing Director, including salary, commission and perquisites as per the ordinary resolution passed at the 14th Annual General Meeting held on 28th August, 2020 shall remain unchanged.

RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorized to take all such steps as may be necessary and/or give such directions as may be necessary, proper or expedient to give effect to the above resolution without being required to seek any further consent or approval of the members and the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following statement sets out the material facts relating to the special business mentioned under Item No.1 to Item No.4 in the accompanying Postal Ballot Notice dated 5th November, 2020 and shall be taken as forming part of the Notice.

Item No. 1

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has appointed Harsha Varadaraj (DIN: 06856957) as an Additional Director of the Company to hold office with effect from 6th November, 2020 in accordance with the provisions of Section 161 of the Companies Act, 2013. A notice in writing has been received from a member signifying his intention to propose Harsha Varadaraj (DIN: 06856957) as a candidate for the office of Director of the Company.

Considering the varied experience, skill and knowledge in the field of finance and management, the Board of Directors opine that the appointment of Harsha Varadaraj (DIN: 06856957) as Director would be greatly beneficial to the Company. Pursuant to Section 152 and 161 of the Companies Act, 2013, the Ordinary Resolution as set out under Item No.1 of the Postal Ballot Notice dated 5th November, 2020 is being placed before the members for approval.

Accordingly, the Board of Directors recommends the Ordinary Resolution as set out in Item No.1 of this notice for the approval of the members.

Harsha Varadaraj (DIN: 06856957), being the Appointee Whole-time Director, Sudarsan Varadaraj (DIN: 00133533), Chairman and Managing Director, being his relative and Jairam Varadaraj (DIN: 00003361), Director, being relative of Sudarsan Varadaraj (DIN: 00133533), Chairman and Managing Director, are directly or indirectly, financially or otherwise, interested or concerned in the Ordinary Resolution set out under Item No.1.

Except the above, none of the other Directors, Key Managerial Personnel or their relatives are directly or indirectly, financially or otherwise, interested or concerned in the Ordinary Resolution set out under Item No.1.

Item No.2

Based on the recommendation of the Nomination and Remuneration Committee and the approval of the Audit Committee, the Board of Directors, at their meeting held on 5th November, 2020, has appointed Harsha Varadaraj (DIN: 06856957) as Whole-time Director of the Company for a period of 3 years with effect from 6th November, 2020 on the terms and conditions as set out in Item No.2 of this Postal Ballot Notice, subject to the requisite approval of the members of the Company.

Harsha Varadaraj (DIN: 06856957) is one of the Promoters of the Company and considering his varied experience, skill and knowledge in the field of finance and management, the Board of Directors opine that his appointment as Whole-time Director would be greatly beneficial to the Company.

Pursuant to Section(s) 196(4), 197 and 203 read with Schedule V of the Companies Act, 2013 and pursuant to Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Special Resolution as set out under Item No.2 of the Postal Ballot Notice dated 5th November, 2020 is being placed before the members for approval.

Accordingly, the Board of Directors recommends the Special Resolution as set out under Item No.2 of this notice for the approval of the members.

The general information as required under Part II of Section II of Schedule V of the Companies Act, 2013 (as amended) and the disclosure as required in accordance with Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2) issued by the ICSI has been annexed and forms part of this notice.

Members are informed that the appointment of Harsha Varadaraj (DIN: 06856957) as Whole-time Director for a period of 3 years with effect from 6th November, 2020 and the payment of remuneration, as set out under Item No.2 of the Postal Ballot Notice dated 5th November, 2020, are in conformity with Schedule V of the Companies Act, 2013.

The particulars set out above can also be treated as Memorandum required under the provisions of Section 190 of the Companies Act, 2013.

Harsha Varadaraj (DIN: 06856957), being the Appointee Whole-time Director, Sudarsan Varadaraj (DIN: 00133533), Chairman and Managing Director, being his relative and Jairam Varadaraj (DIN: 00003361), Director, being relative of Sudarsan Varadaraj (DIN: 00133533), Chairman and Managing Director, are directly or indirectly, financially or otherwise, interested or concerned in the Special Resolution as set out under Item No.2.

Except the above, none of the other Directors, Key Managerial Personnel or their relatives are directly or indirectly, financially or otherwise, interested or concerned in the Special Resolution as set out under Item No.2.

Item No. 3 & 4

Pursuant to Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from 1st April, 2019, the remuneration payable to Executive Directors, who are promoters or members of the promoter group, shall be subject to the approval of the members by special resolution if, where there is more than one such Executive Director, the aggregate annual remuneration payable to such Executive Directors exceeds 5 percent of the net profits of the Company and that such approval of the members under the said regulation shall be valid only till the expiry of the term of such Director.

Sudarsan Varadaraj (DIN: 00133533), Chairman and Managing Director and Harsha Varadaraj (DIN: 06856957), Whole-time Director, are the Executive Directors, who are promoters of the Company and the aggregate remuneration payable to them exceeds 5% of the net profits of the Company.

Hence, in order to comply with Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of the members is being sought by way of Special Resolution as set out in Item No.3 to continue the payment of remuneration to Sudarsan Varadaraj (DIN: 00133533), for the remaining period of his tenure as Chairman and Managing Director on such terms and conditions as approved by means of an ordinary resolution passed by the members of the Company, at the 9th Annual General Meeting held on 26th September, 2015 notwithstanding that the aggregate annual remuneration payable to him during the his tenure as Chairman and Managing Director together with the aggregate annual remuneration payable to Harsha Varadaraj (DIN: 06856957), Whole-time Director, exceeds 5% of the net profits of the Company as calculated under Section 198 of the Companies Act, 2013.

Further, the approval of the members is also being sought by way of Special Resolution as set out in Item No.4 of this Postal Ballot Notice for the payment of remuneration to Sudarsan Varadaraj (DIN: 00133533) for the period of his tenure as Chairman and Managing Director for a period of 3 years with effect from 1st January, 2021 on such terms and conditions as approved by means of an ordinary resolution passed by the members of the Company, at the 14th Annual General Meeting held on 28th August, 2020, notwithstanding that the aggregate annual remuneration payable to him during the his tenure as Chairman and Managing Director together with the aggregate annual remuneration payable to Harsha Varadaraj (DIN: 06856957), Whole-time Director, exceeds 5% of the net profits of the Company as calculated under Section 198 of the Companies Act, 2013.

Members are informed that, except the above statutory requirement, there is no change in the terms and conditions of the appointment of Sudarsan Varadaraj (DIN: 00133533) as Chairman and Managing Director of the Company.

Your Directors recommends the Special Resolution(s) set out under Item No.3 and 4 for the approval of the members.

The general information as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2) issued by the ICSI has been annexed and forms part of this notice.

Sudarsan Varadaraj (DIN: 00133533), being the interested Chairman and Managing Director, Harsha Varadaraj (DIN: 06856957), Whole-time Director and Jairam Varadaraj (DIN: 00003361), Director, being relatives, are directly or indirectly, financially or otherwise, interested or concerned in the Special Resolution(s) set out under Item No.3 and 4 of this notice.

Except the above, none of the other Directors, Key Managerial Personnel or their relatives are directly or indirectly, financially or otherwise, interested or concerned in the Special Resolution(s) as set out under Item No.3 & 4.

By Order of the Board
For Elgi Rubber Company Limited

Place: Coimbatore
Date : 5th November, 2020

V Santhanakrishnan
Company Secretary

Notes:

1. The Board of Directors of the Company have appointed R Jayachandran, Partner, M/s. RJC Associates (FRN 003496S), Chartered Accountants, Coimbatore as the Scrutinizer for conducting the postal ballot through remote e-voting in a fair and transparent manner and for the purpose of ascertaining the requisite majority.
2. The approval of the shareholders is being sought through the Postal Ballot, pursuant to Section 110 of the Companies Act, 2013 read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. The facility of voting by electronic means is being provided by Link Intime India Private Limited (LIPL) for which the required procedure is incorporated in the Postal Ballot Notice. Voting period commences from **9:00 AM on Thursday, the 12th November, 2020 to 5.00 PM on Friday, the 11th December, 2020 (both days inclusive)**.
4. General information, the brief profile, details of shareholding, other directorships and inter-se relationship of the Director seeking appointment as required under Schedule V of the Companies Act, 2013 read with Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) issued by the ICSI are provided as Annexure and form part of this Notice.
5. The Notice is being sent only by email to all those Members of the Company, whose names appear in the Register of Members / List of Beneficial Owners as received from National Securities Depository Limited (“NSDL”)/Central Depository Services (India) Limited (“CDSL”) as on **Friday, 6th November, 2020** (“cut-off date”) and who have registered their email addresses in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Company’s Registrar and Share Transfer Agent, Link Intime India Private Limited (LIPL) (“RTA”) in accordance with the provisions of the Companies Act, 2013, read with Rules made thereunder and Ministry of Corporate Affairs, Government of India’s Circulars No.14/2020 dated April 8, 2020, No. 17/2020 dated April 13, 2020, No. 22/2020 dated June 15, 2020 and No.33/2020 dated September 28, 2020 (“MCA Circulars”).
6. All the Members of the Company whose names are appearing on the Register of Members / List of Beneficial Owners as on the cut-off date i.e., **6th November, 2020** (including those Members who may not have received this Notice due to non-registration of their e-mail address with the Company or the Depositories / Depository Participants) shall be eligible for remote e-voting. A person who is not member as on the cut-off date should treat this notice for information purpose only.
7. Please note that e-voting module shall be disabled for voting by Link Intime India Private Limited after 5.00 PM on Friday, the 11th December, 2020. During voting period, the Members of the Company holding equity shares either in physical form or dematerialised form, as on 6th November, 2020 (‘cut-off date’), may cast their vote electronically. Once vote on a resolution is cast by the member, he/ she shall not be allowed to change it subsequently or cast the vote again.
8. On account of the threat posed by COVID-19 and in terms of the MCA Circulars, the Company will send this Notice in electronic form only and hard copy of this Notice along with postal ballot forms and pre-paid business envelope will not be sent to the shareholders for this postal ballot. Accordingly, the communication of the assent or dissent of the members would take place through the remote e-voting system. Therefore, those shareholders who have not yet registered their e-mail address are requested to get their e-mail addresses submitted by following the procedure given below:
 - i. In light of the MCA Circulars, for remote E-voting for this postal ballot, the shareholders whether holding equity shares in demat form or physical form and who have not submitted their email addresses and in consequence to whom the e-voting notice could not be serviced, may temporarily get their e-mail addresses registered with the Company’s Registrar and Share Transfer Agent, Link Intime India Private Limited, by clicking the link: https://linkintime.co.in/emailreg/email_register.html and follow the registration process as guided thereafter. Post successful registration of the e-mail address, the shareholder would get soft copy of this Notice and the procedure for e-voting along with the user-id and the password to enable e-voting for this postal ballot. In case of any queries, shareholder may write to the Company at info@in.elgirubber.com or to Registrar and Transfer Agent at coimbatore@linkintime.co.in
 - ii. It is clarified that for permanent submission of e-mail address, the shareholders are however requested to register their email address, in respect of electronic holdings with the depository through the concerned depository participants and in respect of physical holdings with the Company’s Registrar and Share Transfer Agent, M/s. Link Intime India Private Limited, having its office at Surya 35, Mayflower Avenue, Behind Senthil Nagar, Coimbatore - 641011, Tamilnadu, India (Tel: 0422 -2314792, 2315792, by following the due procedure.
 - iii. Those shareholders who have already registered their e-mail address are requested to keep their e-mail addresses validated with their depository participants / the Company’s Registrar and Share Transfer Agent, Link Intime India Private Limited to enable servicing of notices / documents / annual Reports electronically to their e-mail address.

9. Any query/grievance may please be addressed to V Santhanakrishnan, Company Secretary with respect to the voting by Postal Ballot including voting by electronic means at: Email id: info@in.elgirubber.com or may contact Mr. Rajiv Ranjan, Assistant Vice President - e-voting, Link Intime India Private Limited at the designated email id: enotices@linkintime.co.in.
10. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Link Intime India Private Limited through Instavote Platform, on all resolutions set forth in this Notice.
11. Members are requested to carefully read the instructions carefully while expressing their assent or dissent and cast votes via e-voting by not later than the close of working hours at 5.00 PM on Friday, the 11th December, 2020.
12. The result of the Postal Ballot shall be announced on or before 5:00 PM on Saturday, the 12th December, 2020 at the registered office of the Company and shall also be displayed on the Company's website www.elgirubber.com, on the website of LIPL and will also be communicated to National Stock Exchange of India Limited (NSE) where the equity shares of the Company are listed.
13. The Postal Ballot Notice have been placed on Company's website www.elgirubber.com and LIPL e-voting website <https://instavote.linkintime.co.in> and will remain on such website(s) until the last date of receipt of the Postal Ballot votes (through remote e-voting) from members.
14. The voting rights of members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date.
15. A member cannot exercise his vote by proxy on Postal Ballot.
16. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice /documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to give their consent by providing their e-mail addresses to the Company or to Link Intime India Private Limited, Registrar and Share Transfer Agent of the Company.

INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MEANS:

In compliance with provisions of Sections 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed thereunder, Regulation 44 of the SEBI Listing Regulations and the Secretarial Standards on General Meetings (SS-2), the Company is pleased to provide remote e-voting facility to all its members, to enable them to cast their vote electronically instead of dispatching the physical Postal Ballot form by post. For this purpose, the Company has signed an agreement with the Link Intime India Private Limited ("LIPL") for facilitating the e-voting.

The instructions for members for voting electronically are as under: -

- i. The voting period begins on 9:00 AM on Thursday, the 12th November, 2020 to 5.00 PM on Friday, the 11th December, 2020 (both days inclusive). During this period, the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 6th November, 2020 may cast their vote electronically. The e-voting module shall be disabled by LIPL for voting thereafter.
- ii. The shareholders should log on to the e-voting website <https://instavote.linkintime.co.in>.
- iii. Click on "Login" tab, available under 'Shareholders' section.
- iv. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT"
- v. Your User ID details are given below:
 - a. **Shareholders holding shares in demat account with NSDL:** Your User ID is 8 Character DP ID followed by 8 Digit Client ID
 - b. **Shareholders holding shares in demat account with CDSL:** Your User ID is 16 Digit Beneficiary ID
 - c. **Shareholders holding shares in Physical Form (i.e. Share Certificate):** Your User ID is Event No + Folio Number registered with the Company
- vi. Your Password details are given below:

If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is shared to the members.
Date of Birth (DOB)	<p>Enter the Date of Birth as recorded with your depository participant or in the Company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details (last 4 digits) as recorded in your demat account or in the Company records for the said demat account or folio to login.</p> <ul style="list-style-type: none"> Please enter the DOB/DOI or Dividend Bank details in order to login. If the details are not recorded with the depository participants or Company please enter the member ID / folio number in the Dividend Bank details field as above mentioned in instruction v(c).

If you are holding shares in demat form and had registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Click on Forget password and Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- vii. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" of the company, you choose to vote.
- viii. On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
Cast your vote by selecting appropriate option i.e. Favour/Against as desired.
Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
- ix. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.
- x. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.
- xi. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
- xii. You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

General Guidelines for shareholders:

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'.
- They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.
- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to enotices@linkintime.co.in or Call us :- Tel : 022 - 49186000.

17. The Scrutinizer will submit his report after completion of scrutiny, on or before Saturday, 12th December, 2020. The Chairman and Managing Director or any other Director duly authorized by him, will announce the results of the voting by Postal Ballot on or before 5.00 PM on Saturday, 12th December, 2020, at the Registered Office of the Company.

GENERAL INFORMATION AS REQUIRED UNDER PART II OF SECTION II OF SCHEDULE V OF THE COMPANIES ACT, 2013 (AS AMENDED)

I. General information				
(1)	Nature of industry	The Company is engaged in the manufacturing of rubber products, tread rubber, reclaim rubber, retreading and rebuilding of rubber tyres		
(2)	Date or expected date of commencement of commercial production	The Company was incorporated on October 16, 2006 and the commercial operations were commenced subsequently.		
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable		
(4)	Financial performance based on given indicators	Particulars	FY 31.03.2020 (Rs. in million)	FY 31.03.2019 (Rs. in million)
		Turnover (net)	1,843.15	2,028.81
		Profit/(Loss) before tax	61.39	1.61
		Profit/(Loss) after tax	57.96	4.56
		Paid-up Capital	50.05	50.05
		Reserves & Surplus	2,593.05	2,540.01
	Basic Earnings per Share (actual)	1.16	0.09	
(5)	Foreign investments or collaborations, if any	Nil		
II. Information about the appointee				
(1)	Background details	Harsha Varadaraj (DIN: 06856957) has done his B.Com., in Loyola College, Chennai and his Master of Science (Finance) from the London School of Economics, London. He has 3 years of experience in Price Waterhouse Coopers in the field of Auditing. He is associated with the management of LRG Technologies Limited for the past 5 years. He is one of the Promoters of the Company and was heading the business activities of the Company as Senior General Manager – Operations since August 1, 2019.		
(2)	Past remuneration	Harsha Varadaraj (DIN: 06856957) has drawn the following remuneration during his tenure as Senior General Manager-Operations; FY 31.03.2020 – INR 1.70 million per annum FY 31.03.2019 – INR 1.57 million per annum		
(3)	Recognition or awards	Nil		
(4)	Job profile and his suitability	Harsha Varadaraj (DIN: 06856957), Whole-time Director, is managing the affairs of the company under the superintendence, control and direction of the Board of Directors. Harsha Varadaraj (DIN: 06856957) has adequate managerial experience in the relevant field and he is considered suitable for the said managerial position.		
(5)	Remuneration proposed	As set out in Item No.2 of the Postal Ballot Notice dated November 5, 2020		

(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Taking into consideration the size of the company, profile of Harsha Varadaraj (DIN: 06856957) responsibility shouldered by him and the industry standard, the remuneration profile is commensurate with the remuneration paid to the managerial personnel in similar other companies.
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Harsha Varadaraj (DIN: 06856957) is one of the Promoters of the Company and he is the son of Sudarsan Varadaraj (DIN: 00133533), Chairman and Managing Director.
III.	Other information	
(1)	Reasons of loss or inadequate profits	The Company has earned profits for the year ended 31.03.2020 but howsoever such profits, as calculated under Section 198 of the Companies Act, 2013, are inadequate for the payment of remuneration to the Executive Directors in the Board within the overall limits as prescribed under Section 197 of the said Act. Further, the current business environment and the prevailing market conditions has impacted the overall performance and the profitability of the Company. However, the Company and its management has taken all necessary steps to improve the profitability.
(2)	Steps taken or proposed to be taken for improvement	The Company has embarked on a series of strategic and operational measures that is expected to result in the improvement in the present position. The Company has also put in place measures to reduce cost and improve the bottom-line.
(3)	Expected increase in productivity and profits in measurable terms	The Company has taken necessary initiatives to improve its market position and financial performance.
IV.	Disclosures	
	The following disclosures shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any, attached to the Financial statement:	
(i)	All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors	The details of the remuneration package of Harsha Varadaraj (DIN: 06856957) is given under Item No.2 of this Postal Ballot Notice. The Company shall make requisite disclosure in relation to the remuneration of the appointee Whole-time Director in the Board of Director's report under the heading "Corporate Governance", for the relevant financial year(s). However, the Company has not issued any stock options so far.
(ii)	Details of fixed component and performance linked incentives along with the performance criteria	
(iii)	Service contracts, notice period, severance fees	
(iv)	Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable	

DISCLOSURE UNDER REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND THE SECRETARIAL STANDARDS ON GENERAL MEETINGS (SS-2) ISSUED BY THE ICSI

Name	Harsha Varadaraj
DIN	06856957
Date of Birth / Age	30.05.1989 / 31 years
Nationality	Indian
Date of induction on the Board	06.11.2020
Relationship with other director	Son of Sudarsan Varadaraj (DIN: 00133533), Chairman & Managing Director
Qualification	B.Com., M.S.
Experience	8 years experience in finance and management
Shareholding	2,252,637 (4.50%)
List of Directorships held in other companies	1. LRG Technologies Limited - Director 2. Tyre Retreading Education Association - Director
Other Committee Memberships of the Board of other companies in which he is a Director:	
Membership in	Nil
Chairmanship in	Nil
Remuneration sought to be paid (per annum)	Salary, allowances other perquisites as stated in Item No.2 of the Postal Ballot Notice dated 5th November, 2020
Remuneration last drawn (per annum)	Harsha Varadaraj (DIN: 06856957) has drawn the following remuneration during his tenure as Senior General Manager-Operations of the Company; FY 31.03.2020 – INR 1.70 million per annum FY 31.03.2019 – INR 1.57 million per annum
Terms & Conditions of Appointment / Re-appointment	As stated in Item No.1 & Item No.2 of the Postal Ballot Notice dated 5th November, 2020
Number of Meetings of the Board attended during the year	Not applicable

DISCLOSURE UNDER REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND THE SECRETARIAL STANDARDS ON GENERAL MEETINGS (SS-2) ISSUED BY THE ICSI

Name	Sudarsan Varadaraj
DIN	00133533
Date of Birth / Age	22.01.1958 / 62 years
Nationality	Indian
Date of Induction on the Board	16.10.2006
Relationship with other director	Brother of Jairam Varadaraj (DIN: 00003361), Director Father of Harsha Varadaraj (DIN: 06856957), Whole-time Director
Qualification	B.E., M.S.,
Experience	38 years in Machine Building, Rubber and allied Industry
Shareholding	23,507,346 (46.97%)
List of Directorships held in other companies	1. Kovilpatti Lakshmi Roller Flour Mills Limited (formerly "KLRFLimited") (Listed) 2. Elgi Equipments Limited (Listed) 3. Super Spinning Mills Limited (Listed) 4. Elgi Ultra Industries Limited 5. LRG Technologies Limited 6. Tyre Point Private Limited 7. Festo India Private Limited
Other Committee Memberships of the Board of other companies in which he is a Director:	
Membership in	1. Elgi Rubber Company Limited - Stakeholders Relationship Committee 2. Super Spinning Mills Limited - Nomination & Remuneration Committee 3. Kovilpatti Lakshmi Roller Flour Mills Limited (formerly "KLRFLimited") - Audit Committee and Nomination & Remuneration Committee, CSR Committee and Finance and Administrative Committee
Chairmanship in	1. Elgi Rubber Company Limited - CSR Committee and Finance and Administrative Committee
Remuneration sought to be paid (per annum)	No change in the terms and conditions relating to appointment and payment of remuneration as approved by means of an ordinary resolution passed by the members of the Company, at the 9th Annual General Meeting held on 26th September, 2015 and at the 14th Annual General Meeting held on 28th August, 2020 respectively
Remuneration last drawn (per annum)	Rs.6,720,000/-
Terms & Conditions of Re-appointment	Not applicable
Number of Meetings of the Board attended during the last financial year	5 out of 6