



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/2023/SEP/02

13th August 2023

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

Dear Sir/Madam,

Sub : Outcome of Board meeting held on Wednesday, September 13, 2023 pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

Symbol : ELGIRUBCO

Pursuant to Regulation 30 of the Listing Regulations, this is to inform that the Board of Directors of the Company, at their meeting held on Wednesday, September 13, 2023, had inter-alia considered and approved the following matters:-

1. Approval for winding up of an inoperative non-material wholly-owned subsidiary in Kenya

The Board of Directors has granted their approval to initiate the winding up process of its wholly-owned subsidiary viz., Elgi Rubber Company Limited in Kenya, which is being inoperative during the immediately preceding two financial years, subject to the applicable laws. It is further informed that Elgi Rubber Company Limited, Kenya is not a material subsidiary and its winding up and closure does not have any material impact on the Company's business activities, financial position and on the consolidated financial statements. 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-I**.

2. Approval to sell or otherwise dispose off the Aircraft Tyre Retreading business of the Company, subject to the approval of the shareholders by means of a special resolution

Based on the recommendation of the Audit Committee and as a part of strategic restructuring of business operations, the Board of Directors has approved and recommended to sell or otherwise dispose off the Aircraft Tyre Retreading business of the Company to any potential unrelated buyer(s), subject to the approval of the shareholders by means of a special resolution under Section 180(1)(a) of the Companies Act, 2013 read with Regulation 37A of the Listing Regulations and such other requisite consent and approvals as may be required in this regard. 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-II**.



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3. Approval to sell or otherwise dispose off certain immovable properties of the Company, subject to the approval of the shareholders by means of a special resolution

Based on the recommendation of the Audit Committee and as a part of strategic restructuring of business operations, the Board of Directors has approved and recommended to sell or otherwise dispose off certain immovable properties (non-core assets), comprising of land and buildings, in Coimbatore (State of Tamil Nadu) and Hyderabad (State of Telangana) to any potential unrelated buyer(s), subject to the approval of the shareholders by means of a special resolution under Section 180(1)(a) of the Companies Act, 2013 read with Regulation 37A of the Listing Regulations and such other requisite consent and approvals as may be required in this regard. 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-III**.

4. 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 for certain matters by means of passing necessary special resolution(s) under Section 180(1)(a) of the Companies Act, 2013 read with Regulation 37A 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.

5. Approval for conversion of the outstanding loans given by the Company to its wholly owned subsidiaries in USA, Brazil and Netherlands into Non-Cumulative Compulsorily Convertible Preference Shares, either in whole or in part

Based on the recommendation of the Audit Committee and as a part of strategic internal restructuring, the Board of Directors has approved for conversion of the loans given by the Company to its following wholly owned subsidiaries and outstanding in the respective books of accounts into Non-Cumulative Compulsorily Convertible Preference Shares, either in whole or in part, subject to the applicable guidelines of the Reserve Bank of India and of the respective host countries:

Sl. No.	Name of the wholly-owned subsidiary	Country of Incorporation
1.	Elgi Rubber Company LLC	USA
2.	Borrachas e Equipamentos Elgi Ltda	Brazil
3.	Elgi Rubber Company Holdings B.V.	Netherlands



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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-IV**.

The Meeting commenced at 02:30 PM (IST) and concluded at 04:00 PM (IST).

Kindly take the above on record.

Thanking you,

Yours Faithfully,

For Elgi Rubber Company Limited

Faizur Rehman Allaudeen
ACS 70055
Company Secretary & Compliance Officer

Encl: As above



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ANNEXURE-I

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.	Amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division or undertaking or subsidiary or associate company of the listed entity during the last financial year	Elgi Rubber Company Limited, Kenya, a non-material wholly owned subsidiary As on 31.03.2023: Turnover – INR 0.00 million (0.00%) Networth – INR 6.67 million (0.50%)
b.	Date on which the agreement for sale has been entered into	Not applicable
c.	Expected date of completion of sale/disposal	The winding up process shall be subject to applicable regulatory approvals and procedures as per the laws of Kenya and is expected to complete on or before 31 st March, 2024
d.	Consideration received from such sale/disposal	Not applicable
e.	Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof	Not applicable
f.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length”	Not applicable
g.	Whether the sale, lease or disposal of the undertaking is outside Scheme of Arrangement? If yes, details of the same including compliance with regulation 37A of LODR Regulations	Not applicable
h.	Additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale	Not applicable



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ANNEXURE-II

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.	Amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division or undertaking or subsidiary or associate company of the listed entity during the last financial year	Following details of Aircraft Tyre Retreading business of the Company as on 31 st March, 2023: Turnover – INR 1.42 million (0.06%) Net worth – Nil
b.	Date on which the agreement for sale has been entered into	The Company is yet to identify the buyer and is yet to enter into necessary agreement or deed for the proposed sale
c.	Expected date of completion of sale/disposal	The proposed sale shall be subject to requisite consents, approvals and other procedures and is expected to complete on or before 31 st March, 2024
d.	Consideration received from such sale/disposal	The Company is yet to identify the buyer and is yet to enter into necessary agreement or deed for the proposed sale. The consideration will not be less than the prevailing market price and will be in the best interest of the Company.
e.	Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof	The Company intends to sell or dispose off the Aircraft Tyre Retreading business to any potential unrelated buyer(s) and the Company is yet to identify the buyer(s). However, the buyer(s) does not belong to the promoter/ promoter group/group companies.
f.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length"	The transaction would not fall within the purview of related party transactions
g.	Whether the sale, lease or disposal of the undertaking is outside Scheme of Arrangement? If yes, details of the same including compliance with regulation 37A of LODR Regulations	Yes, the proposed sale of Aircraft Tyre Retreading business is outside the Scheme of Arrangement. The Board of Directors has decided to conduct the Postal Ballot process (through remote e-voting) to obtain the approval of the shareholders under Section 180(1)(a) of the Companies Act, 2013 and Regulation 37A of the Listing Regulations.



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h.	Additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale	Not applicable
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ANNEXURE-III

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.	Amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division or undertaking or subsidiary or associate company of the listed entity during the last financial year	Proposal for sale of certain immovable properties (non-core assets) and hence, the disclosure under this clause is not applicable
b.	Date on which the agreement for sale has been entered into	The Company is yet to identify the buyer(s) and is yet to enter into necessary agreement or deed for the proposed sale
c.	Expected date of completion of sale/disposal	The proposed sale shall be subject to requisite consents, approvals and other procedures and is expected to complete on or before 31 st March, 2024
d.	Consideration received from such sale/disposal	The Company is yet to identify the buyer(s) and is yet to enter into necessary agreement or deed for the proposed sale. The consideration will not be less than the prevailing market price and will be in the best interest of the Company.
e.	Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof	The Company intends to sell or dispose off the immovable properties (as mentioned above) to any potential unrelated buyer(s) and the Company is yet to identify the buyer(s). However, the buyer(s) does not belong to the promoter/ promoter group/group companies.
f.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length"	The transaction would not fall within the purview of related party transactions
g.	Whether the sale, lease or disposal of the undertaking is outside Scheme of Arrangement? If yes, details of the same including compliance with regulation 37A of LODR Regulations	Yes, the proposed sale of immovable properties (non-core assets), comprising of land and buildings, in Coimbatore (State of Tamil Nadu) and Hyderabad (State of Telangana) is outside the Scheme of Arrangement. The Board of Directors has decided to conduct the Postal Ballot process (through remote e-voting) to obtain the approval of the shareholders under



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		Section 180(1)(a) of the Companies Act, 2013 and Regulation 37A of the Listing Regulations.
h.	Additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale	Not applicable



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ANNEXURE-IV

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 of the Audit Committee and as a part of strategic internal restructuring, the Board of Directors of the Company has approved to convert the loans given by the Company and outstanding in the books of accounts in respect of the following wholly-owned subsidiaries into Non-Cumulative Compulsorily Convertible Preference Shares, either in whole or in part, subject to the applicable guidelines of the Reserve Bank of India and of the respective host countries;</p> <p>Elgi Rubber Company LLC, USA Borrachas e Equipamentos Elgi Ltda, Brazil Elgi Rubber Company Holdings B.V., The Netherlands</p>
b.	Quantitative and/ or qualitative effect of restructuring	<p>The proposed conversion of the outstanding loans into Non-Cumulative Compulsorily Convertible Preference Shares, either in whole or in part, in 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 and it would further help in improving the financial position of the respective wholly-owned subsidiaries.</p>
c.	Details of benefit, if any, to the promoter/promoter group/group companies from such proposed restructuring	<p>There is no benefit to the promoter/promoter group/group companies due to the above proposed conversion of outstanding loans</p>
d.	Brief details of change in shareholding pattern (if any) of all entities	<p>There will be no change in shareholding pattern of the Company or its wholly owned subsidiaries or any other entity due to the above proposed conversion of outstanding loans</p>