



## 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/June/04

25<sup>th</sup> June, 2020

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

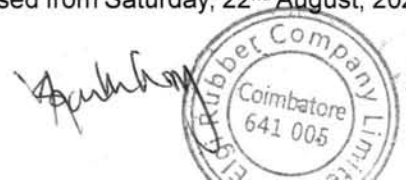
Dear Sirs,

Sub : Outcome of Board meeting

Ref : Intimation under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015  
(Listing regulations)

The Board of Directors of the company at their meeting held on Thursday, 25<sup>th</sup> June 2020, had inter-alia considered and approved the following:

- i. Pursuant to Regulations 33 of the Listing regulations, we are herewith forwarding the audited financial results for the quarter and year ended 31<sup>st</sup> March 2020 along with auditors report. Further, the statutory auditors have expressed an unmodified audit opinion in this regard.
- ii. The Board of Directors have not recommended any final dividend for the financial year ended 31<sup>st</sup> March 2020. The interim dividend of Re.0.16 (i.e.16%) per equity share of Re.1.00 each declared by the Board on 6<sup>th</sup> March, 2020 shall be considered as final dividend for the financial year ended 31<sup>st</sup> March 2020.
- iii. Based on the recommendation of the Nomination and Remuneration Committee and the approval of the Audit Committee and subject to the approval of the members of the Company, the Board of Directors have approved the re-appointment of and the remuneration payable to Sudarsan Varadaraj (DIN: 00133533), as Chairman and Managing Director for a further period of 3 years effective from 1<sup>st</sup> January 2021. Sudarsan Varadaraj (DIN: 00133533) is not debarred from holding the office of Director by virtue of any order of the SEBI or any other statutory authority under any laws. The disclosure pursuant to Regulation 30(6) of the Listing Regulations is enclosed herewith as **Annexure-A**.
- iv. Subject to the compliance under the provisions of Section 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 (as amended) and subject to the approval of the shareholders at the ensuing annual general meeting, the Board of Directors have approved to invite and accept fixed deposits from public and shareholders of the Company.
- v. The 14<sup>th</sup> Annual General Meeting of the shareholders of the company is scheduled to be held on Friday, 28<sup>th</sup> August, 2020 and the Register of members will be closed from Saturday, 22<sup>nd</sup> August, 2020 to Friday, 28<sup>th</sup> August, 2020 (both days inclusive).





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Further, in accordance with the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/48 dated March 26, 2020, granting relaxation from Regulation 47 of the said Regulations, the above financial results will not be published in the newspapers.


However, the same will be available on the Company's website ([www.elgirubber.com](http://www.elgirubber.com)).

Kindly take the same on record.

Thank you,

Yours faithfully,

For Elgi Rubber Company Limited,

  
V Santhanakrishnan  
Company Secretary



Encl: As mentioned above



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### ANNEXURE-A

#### Information about re-appointment of Chairman and Managing Director

Reason for change viz., appointment, resignation, removal, death or otherwise	Re-appointment
Date of appointment / cessation (as applicable) & term of appointment	Sudarsan Varadaraj (DIN: 00133533) has been re-appointed as Chairman and Managing Director for a further period of 3 years effective from 1 <sup>st</sup> January 2021, subject to the approval of the members at the ensuing annual general meeting.
Brief profile (in case of appointment)	Sudarsan Varadaraj (DIN: 00133533) has done his B.E. in Mechanical Engineering and his Master degree in Mechanical Engineering in Stanford University. He has more than 37 years of experience in the field of Machine Building Rubber and allied industry. He is one of the Promoters of the Company and he is currently heading the entire business activities of the Company as Chairman and Managing Director.
Disclosure of relationships between directors (in case of appointment of a director)	Sudarsan Varadaraj (DIN: 00133533) is the brother of Jairam Varadaraj (DIN: 00003361)





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Ref: ERCL/SEC/2020/June/05

25<sup>th</sup> June, 2020

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

Dear Sir,

Sub Declaration in respect of unmodified opinion on audited financial statements for the financial year ended 31st March, 2020

Pursuant to Regulation 33 3(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby declare and confirm that the Statutory Auditor of the Company M/s.M.S.Jagannathan and Visvanathan, Chartered Accountants, has issued an unmodified audit report on financial results of the company for the financial year ended 31<sup>st</sup> March, 2020.

Please take the above on record.

Thanking you,

Yours faithfully  
For Elgi Rubber Company Limited

A handwritten signature in black ink, appearing to be "S.R. Venkatachalam", written over a horizontal line.

S.R.Venkatachalam  
Chief Financial Officer

**Independent Auditors' Report on Consolidated Annual Financial Results of  
Elgi Rubber Company Limited pursuant to Regulation 33 of the SEBI (Listing Obligations  
and Disclosure Requirements) Regulations, 2015**

To  
The Board of Directors  
Elgi Rubber Company Limited,  
Coimbatore

**Report on the audit of the Consolidated Annual Financial Results**

**Opinion**

We have audited the accompanying consolidated annual financial results of Elgi Rubber Company Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") for the year ended 31 March 2020, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations'). In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries, the aforesaid consolidated annual financial results:

- a) include the annual financial results of the entities listed in Annexure I.
- b) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net loss and other comprehensive income and other financial information of the Group for the year ended 31 March 2020.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results section of our report. We are independent of the Group and in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.



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**Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results**

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the Management and the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations or has no realistic alternative but to do so. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

**Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve



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# *M. S. Jagannathan & Visvanathan*

## CHARTERED ACCOUNTANTS

collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of consolidated financial statements on whether the company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its s to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its s to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



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## CHARTERED ACCOUNTANTS

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

### Other Matters

(a) The consolidated annual financial results include the audited financial results of 8 subsidiaries, whose financial statements reflect Group's share of total assets of Rs.23998.44 Lakhs as at 31 March 2020, Group's share of total revenue of Rs.38306.94 Lakhs, Group's share of total netloss after tax of Rs.1519.82 Lakhs and Group's share of net cash flows of Rs.448.40 Lakhs for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by independent auditor. The independent auditors' reports on financial statements of these entities have been furnished to us by the management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the reports of such auditor and the procedures performed by us as stated in paragraph above.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in the irrelative countries to accounting principles generally accepted in India. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditor and the conversion adjustments prepared by the management of the Company.

Our opinion on the consolidated annual financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Board of Directors.

(b) The consolidated annual financial results include the results for the quarter ended 31 March 2020 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.



For M.S.Jagannathan and Visvanathan  
Chartered Accountants  
Firm Registration No.0012096

*M V Jaganathan*

M V Jaganathan  
Partner  
M.No. 214178

UDIN: 20214178 AAAABW 7317

Place: Coimbatore  
Date : June 25, 2020

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# *M. S. Jagannathan & Visvanathan*

CHARTERED ACCOUNTANTS

## Annexure I

### List of entities included in the Statement

- i. Elgi Rubber Company LLC, USA
- ii. Elgi Rubber Company Limited, Kenya
- iii. Elgi Rubber Company Limited, Sri Lanka
- iv. Treadsdirect Limited, Bangladesh
- v. Borrachas e Equipamentos Elgi Ltda, Brasil
- vi. Elgi Rubber Company Holdings B.V., The Netherlands and its subsidiary companies viz. Elgi Rubber Company BV, The Netherlands and Rubber Compounding Holland B.V., The Netherlands, and Rubber Resources B.V., The Netherlands (Step-down subsidiaries)
- vii. Pincott International Pty Limited, Australia
- viii. Titan Tyrecare Products LLP



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*M. S. Jagannathan & Visvanathan*

**CHARTERED ACCOUNTANTS**

**Independent Auditors' Report on Quarterly and Annual audited Standalone Financial Results of M/s.Elgi Rubber Company Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

The Board of Directors  
Elgi Rubber Company Limited  
Coimbatore

**Report on the audit of the Standalone Financial Results**

**Opinion**

We have audited the accompanying Statement of quarterly and annual Standalone Financial Results of M/s.Elgi Rubber Company Limited (the "Company"), for the quarter and year ended **31 March 2020** (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and Other comprehensive income and other financial information for the quarter ended **31 March 2020** and the year ended **31 March 2020**.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

**Management's Responsibilities for the Standalone Financial Results**

This Statement has been prepared on the basis of the aforesaid standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these standalone financial results that give a true and fair view of the net profit and Other comprehensive income and other financial information of the company in

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accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Sec. 133 of the Companies Act, 2013 read with the relevant Rules thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the aforesaid Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the aforesaid Statement of Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the aforesaid Standalone Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the aforesaid Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ❖ Identify and assess the risks of material misstatement of the Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ❖ Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Sec. 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

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# *M. S. Jagannathan & Visvanathan*

## CHARTERED ACCOUNTANTS

- ❖ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the aforesaid standalone financial results made by the Board of Directors.
- ❖ Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ❖ Evaluate the overall presentation, structure and content of the aforesaid Standalone Financial Results, including the disclosures, and whether the aforesaid Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Other Matter

The aforesaid standalone annual financial results include the results for the quarter ended **31 March 2020** being the balancing figure between the audited figures in respect of the full financial year ended **31 March 2020** and the published unaudited year to date figures up to the third quarter of the current financial year which were subjected to a limited review by us, as required under the Listing Regulations.



For M.S.Jagannathan and Visvanathan

Chartered Accountants

Firm Registration No.001209S

**M V Jeganathan**

Partner

M.No. 214178

UDIN: 20214178 AAAABV9889

Place: Coimbatore

Date : June 25, 2020

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CIN: L25119TZ2006PLC013144

## Statement of Consolidated audited financial results for the quarter and year ended March 31, 2020

(Rupees in lakhs, except per share data)

Sl No	Particulars	Quarter ended			Year ended	
		March 31, 2020 (audited)	December 31, 2019 (unaudited)	March 31, 2019 (audited)	March 31, 2020 (audited)	March 31, 2019 (audited)
	<b>Income from Operations</b>					
1	Revenue from operations	9,293.50	8,485.53	11,063.03	36,681.98	40,985.49
2	Other Income (Net)	538.62	(200.72)	46.48	1,624.96	719.84
3	<b>Total Revenue (1+2)</b>	<b>9,832.12</b>	<b>8,284.81</b>	<b>11,109.51</b>	<b>38,306.94</b>	<b>41,705.33</b>
4	<b>Expenses</b>					
	Cost of materials consumed	5,239.96	2,897.30	4,737.23	16,022.02	16,106.98
	Purchase of stock-in-trade	(1,619.91)	1,178.30	262.61	1,182.11	4,255.35
	Changes in Inventories of finished goods, stock-in-trade & work-in-progress	233.81	54.28	(35.32)	413.93	(371.13)
	Employee benefits expense	2,924.21	1,862.46	2,311.71	8,435.50	8,122.57
	Finance costs	583.30	506.12	251.04	1,938.20	1,788.15
	Depreciation and amortization expense	340.45	470.09	429.34	1,684.32	1,835.04
	Bad debts written off	537.13	-	-	537.13	1.71
	Other expenses	2,608.23	1,964.33	4,352.92	10,326.89	11,730.67
	<b>Total Expenses</b>	<b>10,847.18</b>	<b>8,932.88</b>	<b>12,309.53</b>	<b>40,540.10</b>	<b>43,469.34</b>
5	<b>Profit/ (loss) before exceptional items and tax (3-4)</b>	<b>(1,015.06)</b>	<b>(648.07)</b>	<b>(1,200.02)</b>	<b>(2,233.16)</b>	<b>(1,764.01)</b>
6	Exceptional items	524.46	79.34	125.23	780.95	125.23
7	<b>Profit before tax (5+6)</b>	<b>(490.60)</b>	<b>(568.73)</b>	<b>(1,074.79)</b>	<b>(1,452.21)</b>	<b>(1,638.78)</b>
8	<b>Tax expense</b>					
	Current tax	3.29	9.45	12.98	15.95	37.74
	Deferred tax	181.19	18.02	(90.72)	7.60	(68.45)
	Income Tax related to earlier year	27.30	-	3.11	44.06	3.11
	<b>Total Tax Expenses</b>	<b>211.78</b>	<b>27.47</b>	<b>(74.63)</b>	<b>67.61</b>	<b>(27.60)</b>
9	<b>Profit/ (loss) after tax for the period from continuing operations (7-8)</b>	<b>(702.38)</b>	<b>(596.20)</b>	<b>(1,000.16)</b>	<b>(1,519.82)</b>	<b>(1,611.18)</b>
10	<b>Profit / (Loss) from discontinued operations</b>	-	-	-	-	-
11	Tax expense of discontinued operations	-	-	-	-	-
12	<b>Profit / (Loss) from discontinued operations (after tax) (10-11)</b>	-	-	-	-	-
13	<b>Profit/ (loss) for the period (9+12)</b>	<b>(702.38)</b>	<b>(596.20)</b>	<b>(1,000.16)</b>	<b>(1,519.82)</b>	<b>(1,611.18)</b>
14	<b>Other comprehensive income, net of income tax</b>					
a)	(i) items that will not be reclassified to profit or loss	67.01	0.55	29.48	68.66	2.20
	(ii) income tax relating to items that will not be reclassified to profit or loss	(16.97)	-	(8.20)	(17.28)	(0.61)
b)	(i) items that will be reclassified to profit or loss	-	-	-	-	-
	(ii) income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	<b>Total other comprehensive income, net of income tax</b>	<b>50.04</b>	<b>0.55</b>	<b>21.28</b>	<b>51.38</b>	<b>1.59</b>
15	<b>Total comprehensive income / (loss) for the period (13+14)</b>	<b>(652.34)</b>	<b>(595.65)</b>	<b>(978.88)</b>	<b>(1,468.44)</b>	<b>(1,609.59)</b>
16	Paid-up equity share capital	500.50	500.50	500.50	500.50	500.50
	Face value per share (Rs.)	1.00	1.00	1.00	1.00	1.00
17	Earning per share (Rs.) (not annualised) (for continuing operations)					
	- Basic	(1.40)	(1.19)	(2.00)	(3.04)	(3.22)
	- Diluted	(1.40)	(1.19)	(2.00)	(3.04)	(3.22)
18	Earning per share (Rs.) (not annualised) (for discontinuing operations)					
	- Basic	-	-	-	-	-
	- Diluted	-	-	-	-	-
19	Earning per share (Rs.) (not annualised) (for continuing and discontinuing operations)					
	- Basic	(1.40)	(1.19)	(2.00)	(3.04)	(3.22)
	- Diluted	(1.40)	(1.19)	(2.00)	(3.04)	(3.22)





**Notes:**

- 1 The above audited consolidated financial results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 25th June 2020. The same have been audited by the Statutory Auditors who have issued an unqualified opinion thereon.
- 2 The Company decided to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from the current financial year. Accordingly, the provision for income tax and deferred tax balances have been recorded/remeasured using the new tax rate and the Company had reversed deferred tax assets amounting to Rs.33.80 Lakhs.
- 3 The Company has adopted Ind AS 116 Leases" effective April 1, 2019 and applied the standard to its Leases using the modified retrospective approach. Accordingly, previous period information has not been restated.
- 4 Exceptional items represent profit on sale of land.
- 5 Figures for the quarter ended 31st March, 2020 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year.
- 6 In view of the lockdown across the country due to the outbreak of COVID pandemic, operations in many of our locations (manufacturing, warehouses, offices, etc.) are scaled down or shut down in compliance with the directives/ orders issued by the local Panchayat / Municipal Corporation / State / Central Government authorities. As per our current assessment, no significant impact on carrying amounts of inventories, goodwill, intangible assets, trade receivables, investments and other financial assets is expected, and we continue to monitor changes in future economic conditions. The eventual outcome of the impact of the global health pandemic may be different from those estimated as on the date of approval of these financial results.
- 7 The Board has not recommended any final dividend. The interim dividend of Re. 0.16 per share of Rs.1/ each, declared by the Board at its meeting held on 6th March, 2020 shall be considered as the final dividend for the financial year 2019-20.
- 8 The above statements Includes the results of the following entities:
  - i. Elgi Rubber Company LLC, USA
  - ii. Elgi Rubber Company Limited, Kenya
  - iii. Elgi Rubber Company Limited, Sri Lanka
  - iv. Treadsdirect Limited, Bangladesh
  - v. Borrachas e Equipamentos Elgi Ltda, Brasil
  - vi. Elgi Rubber Company Holdings B.V., The Netherlands
  - vii. Pincott International Pty Limited, Australia
  - viii. Titan Tyrecare Products LLP
- 9 Previous period / quarterly figures have been regrouped to confirm with the classification adopted in these financial results.



## 8 Audited Consolidated Balance Sheet as at March 31, 2020

(Rupees in lakhs)

Particulars	As at March 31, 2020 (audited)	As at March 31, 2019 (audited)
<b>Assets</b>		
<b>Non-current assets</b>		
Property, Plant and equipment	18,231.87	20,726.20
Intangible assets	1,193.70	540.50
Capital work-in-progress	3,269.39	3,081.95
Goodwill on consolidation	1,303.47	1,303.47
Right-of-use-assets	75.24	-
Financial assets		
i. Investments	372.79	816.68
ii. Other financial assets	271.53	234.44
Deferred tax asset (Net)	2,946.05	2,997.65
Other non-current assets	1,183.26	2,012.27
<b>Total non-current assets</b>	<b>28,847.30</b>	<b>31,713.16</b>
<b>Current assets</b>		
Inventories	13,571.31	14,246.57
Financial assets		
i. Trade receivables	4,973.53	6,133.18
ii. Cash and cash equivalents	448.40	552.91
iii. Bank balances other than (ii) above	2,066.05	2,458.13
iv. Loans	43.00	36.32
Other financial assets		
Other current assets	2,566.71	2,081.61
<b>Total current assets</b>	<b>23,669.00</b>	<b>25,508.72</b>
<b>Total assets</b>	<b>52,516.30</b>	<b>57,221.88</b>
<b>Equity and Liabilities</b>		
<b>Equity</b>		
Equity share capital	500.50	500.50
Other Equity	18,053.78	21,817.53
<b>Total equity</b>	<b>18,554.28</b>	<b>22,318.03</b>
<b>Non current liabilities</b>		
Financial liabilities		
i. Borrowings	9,992.08	10,876.33
ii. Other financial liabilities	-	-
iii. Lease liability	49.68	-
Provisions		1.47
<b>Total Non-current liabilities</b>	<b>10,041.76</b>	<b>10,877.80</b>
<b>Current liabilities</b>		
Financial liabilities		
i. Borrowings	14,797.93	15,192.86
ii. Trade payables		
a. Outstanding dues of micro & small enterprises	24.44	28.50
b. Outstanding dues other than (a) above	5,271.49	4,655.30
Provisions	242.04	316.12
Other current liabilities	3,584.35	3,833.27
<b>Total current liabilities</b>	<b>23,920.26</b>	<b>24,026.06</b>
<b>Total liabilities</b>	<b>33,962.02</b>	<b>34,903.85</b>
<b>Total equity and liabilities</b>	<b>52,516.30</b>	<b>57,221.88</b>



## 9 Statement of consolidated cash flows for the period ended March 31, 2020

(Rupees in lakhs)

Particulars	Period ended March 31, 2020 (audited)	Period ended March 31, 2019 (audited)
<b>Cash Flow from Operating activities</b>		
Profit before income tax	(1,452.21)	(1,638.80)
Adjustments for		
Depreciation and amortisation expense	1,684.32	1,835.10
(Profit)/ Loss on sale of fixed asset	(890.01)	(88.10)
(Profit)/ Loss on sale of Investments	-	35.80
Fair Value changes of investments considered to profit and loss	443.89	31.20
Interest received	(227.90)	(227.60)
Finance costs	1,938.20	1,788.20
Dividend Income	(8.82)	(4.00)
<b>Operating profit before working capital changes</b>	<b>1,487.47</b>	<b>1,731.80</b>
<b>Change in operating assets and liabilities</b>		
(Increase)/ decrease in loans	(6.69)	(12.20)
(Increase)/ decrease in Other financial assets	(37.09)	(43.20)
(Increase)/ decrease in inventories	675.27	(252.10)
(Increase)/ decrease in trade receivables	1,159.66	(975.00)
(Increase)/ decrease in Other assets	284.98	956.50
Increase/ (decrease) in provisions and other liabilities	(428.12)	692.90
Increase/ (decrease) in trade payables	612.13	1,268.60
<b>Cash generated from operations</b>	<b>3,747.61</b>	<b>3,367.30</b>
Less : Income taxes paid (net of refunds)	16.19	(20.30)
<b>Net cash from operating activities (A)</b>	<b>3,763.80</b>	<b>3,347.00</b>
<b>Cash Flows from Investing activities</b>		
Purchase of Property, Plant and Equipment (including movements in CWIP)	(1,517.38)	(1,368.30)
Sale proceeds of Property, Plant and Equipment	2,411.18	1,353.60
(Purchase)/ disposal proceeds of Investments	0.00	(30.00)
(Investments in)/ Maturity of fixed deposits with banks	386.84	47.90
Loans to subsidiaries (net)		
Interest income	240.67	205.70
Dividend Income	8.82	4.00
<b>Net cash used in investing activities (B)</b>	<b>1,530.13</b>	<b>212.90</b>
<b>Cash Flows from Financing activities</b>		
Changes in reserves	(2,078.15)	65.80
Proceeds from/ (repayment of) long term borrowings	(884.25)	449.60
Proceeds from/ (repayment of) short term borrowings	(394.93)	(2,426.60)
Finance costs	(1,907.30)	(1,772.20)
Dividend paid	(98.21)	(0.60)
Dividend transferred to Investor Education and Protection Fund	(4.00)	(6.30)
Payment of lease liabilities	(31.60)	
<b>Net cash from/ (used in) financing activities (C)</b>	<b>(5,398.44)</b>	<b>(3,690.30)</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(104.50)</b>	<b>(130.40)</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>	<b>552.90</b>	<b>683.30</b>
<b>Cash and cash equivalents at end of the year</b>	<b>448.40</b>	<b>552.90</b>
<b>Notes:</b>		
1. The above cash flow statement has been prepared under indirect method prescribed in Ind		
2. Components of cash and cash equivalents		
Balances with banks		
In current accounts	435.43	523.50
Cash on hand	12.97	29.40
<b>Total Cash and Cash equivalents</b>	<b>448.40</b>	<b>552.90</b>



# Elgi Rubber Company Limited

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Telephone No.: 0422-2321000 Fax No.: 0422-2322222 E-mail Id: info@jin.elgirubber.com Website: www.elgirubber.com  
CIN: L25119TZ2006PLC013144

## Statement of Standalone audited financial results for the quarter and year ended March 31, 2020

(Rupees in lakhs, except per share data)

Sl No	Particulars	Quarter ended			Year ended	
		March 31, 2020 (audited)	December 31, 2019 (unaudited)	March 31, 2019 (audited)	March 31, 2020 (audited)	March 31, 2019 (audited)
	<b>Income from Operations</b>					
1	Revenue from operations	4,564.38	4,895.58	5,533.48	18,431.47	20,288.05
2	Other Income (Net)	505.45	214.77	373.83	1,788.28	928.02
3	<b>Total Revenue (1+2)</b>	<b>5,069.83</b>	<b>5,110.35</b>	<b>5,907.31</b>	<b>20,219.75</b>	<b>21,216.07</b>
4	<b>Expenses</b>					
	Cost of materials consumed	3,903.09	2,082.27	2,871.28	10,918.30	9,692.94
	Purchase of stock-in-trade	(906.01)	879.58	542.02	734.97	2,844.51
	Changes in Inventories of Finished Goods, Stock-in-Trade & Work-in-progress	(99.21)	39.65	187.29	(355.50)	301.68
	Employee benefits expense	528.48	595.72	610.63	2,346.65	2,358.72
	Finance costs	296.86	275.04	236.48	1,095.32	1,158.00
	Depreciation and amortization expense	221.48	184.99	211.07	765.37	785.77
	Bad debts written off	(0.00)	-	-	537.13	1.71
	Other expenses	1,369.70	1,026.18	1,484.08	4,344.55	4,181.88
	<b>Total Expenses</b>	<b>5,314.39</b>	<b>5,083.43</b>	<b>6,142.85</b>	<b>20,386.79</b>	<b>21,325.21</b>
5	<b>Profit/ (loss) before exceptional items and tax (3-4)</b>	<b>(244.55)</b>	<b>26.92</b>	<b>(235.54)</b>	<b>(167.03)</b>	<b>(109.14)</b>
6	Exceptional items	701.60	79.34	125.20	780.95	125.20
7	<b>Profit before tax (5+6)</b>	<b>457.05</b>	<b>106.26</b>	<b>(110.34)</b>	<b>613.91</b>	<b>16.06</b>
8	<b>Tax expense</b>					
	Current tax	-	-	(5.26)	-	-
	Deferred tax	163.84	18.02	(54.90)	(9.75)	(32.63)
	Income Tax related to earlier year	27.30	-	3.11	44.06	3.11
	<b>Total Tax Expenses</b>	<b>191.14</b>	<b>18.02</b>	<b>(57.05)</b>	<b>34.31</b>	<b>(29.52)</b>
9	<b>Profit/ (loss) after tax for the period from continuing operations (7-8)</b>	<b>265.91</b>	<b>88.24</b>	<b>(53.29)</b>	<b>579.60</b>	<b>45.58</b>
10	<b>Profit / (Loss) from discontinued operations</b>	-	-	-	-	-
11	Tax expense of discontinued operations	-	-	-	-	-
12	<b>Profit / (Loss) from discontinued operations (after tax) (10-11)</b>	-	-	-	-	-
13	<b>Profit for the period (9+12)</b>	<b>265.91</b>	<b>88.24</b>	<b>(53.29)</b>	<b>579.60</b>	<b>45.58</b>
14	<b>Other comprehensive income, net of income tax</b>					
a)	(i) items that will not be reclassified to profit or loss	67.01	0.55	29.48	68.66	2.20
	(ii) income tax relating to items that will not be reclassified to profit or loss	(16.97)	-	(8.20)	(17.28)	(0.61)
b)	(i) items that will be reclassified to profit or loss	-	-	-	-	-
	(ii) income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	<b>Total other comprehensive income, net of income tax</b>	<b>50.04</b>	<b>0.55</b>	<b>21.28</b>	<b>51.38</b>	<b>1.59</b>
15	<b>Total comprehensive income for the period (13+14)</b>	<b>315.95</b>	<b>88.79</b>	<b>(32.01)</b>	<b>630.98</b>	<b>47.17</b>
16	Paid-up equity share capital	500.50	500.50	500.50	500.50	500.50
	Face value per share (Rs.)	1.00	1.00	1.00	1.00	1.00
17	Earning per share (Rs.) (not annualised) (for continuing operations)					
	- Basic	0.53	0.18	(0.11)	1.16	0.09
	- Diluted	0.53	0.18	(0.11)	1.16	0.09
18	Earning per share (Rs.) (not annualised) (for discontinuing operations)					
	- Basic	-	-	-	-	-
	- Diluted	-	-	-	-	-
19	Earning per share (Rs.) (not annualised) (for continuing and discontinuing operations)					
	- Basic	0.53	0.18	(0.11)	1.16	0.09
	- Diluted	0.53	0.18	(0.11)	1.16	0.09



**Notes:**

- 1 The above audited standalone financial results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 25th June 2020. The same have been audited by the Statutory Auditors who have issued an unqualified opinion thereon.
- 2 The Company decided to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from the current financial year. Accordingly, the provision for income tax and deferred tax balances have been recorded/ remeasured using the new tax rate and the Company had reversed deferred tax assets amounting to Rs.33.80 Lakhs.
- 3 The Company has adopted Ind AS 116 Leases\* effective April 1, 2019 and applied the standard to its Leases using the modified retrospective approach. Accordingly, previous period information has not been restated.
- 4 Exceptional items represent profit on sale of land.
- 5 Figures for the quarter ended 31st March, 2020 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year.
- 6 In view of the lockdown across the country due to the outbreak of COVID pandemic, operations in many of our locations (manufacturing, warehouses, offices, etc.) are scaled down or shut down in compliance with the directives/ orders issued by the local Panchayat / Municipal Corporation / State / Central Government authorities. As per our current assessment, no significant impact on carrying amounts of inventories, goodwill, intangible assets, trade receivables, investments and other financial assets is expected, and we continue to monitor changes in future economic conditions. The eventual outcome of the impact of the global health pandemic may be different from those estimated as on the date of approval of these financial results.
- 7 The Board has not recommended any final dividend. The interim dividend of Re. 0.16 per share of Rs.1/ each, declared by the Board at its meeting held on 6th March, 2020 shall be considered as the final dividend for the financial year 2019-20.
- 8 Previous period / quarterly figures have been regrouped to confirm with the classification adopted in these financial results.





## 8 Audited Standalone Balance Sheet as at March 31, 2020

(Rupees in lakhs)

Particulars	As at March 31, 2020 (audited)	As at March 31, 2019 (audited)
<b>Assets</b>		
<b>Non-current assets</b>		
Property, Plant and equipment	6,737.13	7,525.29
Capital work-in-progress	1,094.60	959.67
Right-of-use assets	75.20	-
Intangible Assets	55.36	138.03
Financial assets		
i. Investments	4,997.90	5,441.79
ii. Loans	9,854.80	5,980.55
iii. Other financial assets	165.00	172.26
Deferred tax asset (Net)	1,062.60	1,096.37
Other non-current assets	1,333.60	1,332.97
<b>Total non-current assets</b>	<b>25,376.18</b>	<b>22,646.93</b>
<b>Current assets</b>		
Inventories	6,180.20	6,278.04
Financial assets		
i. Trade receivables	4,588.30	6,822.38
ii. Cash and cash equivalents	78.01	109.18
iii. Bank balances other than (ii) above	2,056.10	2,430.07
iv. Loans	28.70	28.30
v. Other financial assets	3.35	3.35
Other current assets	1,691.20	2,399.48
<b>Total current assets</b>	<b>14,625.86</b>	<b>18,070.80</b>
<b>Total assets</b>	<b>40,002.04</b>	<b>40,717.73</b>
<b>Equity and Liabilities</b>		
<b>Equity</b>		
Equity share capital	500.50	500.50
Other Equity	25,930.55	25,400.08
<b>Total equity</b>	<b>26,431.05</b>	<b>25,900.58</b>
<b>Non current liabilities</b>		
Financial liabilities		
i. Borrowings	4,701.10	5,075.01
ii. Lease liability	49.70	-
Provisions	-	1.47
<b>Total Non-current liabilities</b>	<b>4,750.80</b>	<b>5,076.48</b>
<b>Current liabilities</b>		
Financial liabilities		
i. Borrowings	5,668.80	6,729.18
ii. Trade payables		
(a) total outstanding due of micro enterprises and small enterprises	24.44	28.50
(b) total outstanding due of micro enterprises and small enterprises	1,228.26	1,311.83
Other current liabilities	1,873.29	1,628.86
Provisions	25.40	42.30
<b>Total current liabilities</b>	<b>8,820.19</b>	<b>9,740.67</b>
<b>Total liabilities</b>	<b>13,570.99</b>	<b>14,817.15</b>
<b>Total equity and liabilities</b>	<b>40,002.04</b>	<b>40,717.73</b>



## 9 Statement of cash flows for the period ended March 31, 2020

(Rupees in lakhs)

Particulars	Period ended March 31, 2020 (audited)	Period ended March 31, 2019 (audited)
<b>Cash Flow from Operating activities</b>		
Profit before income tax	613.93	16.06
Adjustments for		
Depreciation and amortisation expense	765.40	785.77
(Profit)/ Loss on sale of fixed asset	(106.50)	(88.10)
(Profit)/ Loss on sale of Investments	-	35.88
Fair Value changes of investments considered to profit and loss	443.90	31.18
Interest received	(649.20)	(594.02)
Finance costs	1,095.30	1,158.00
Dividend Income	(49.30)	(46.95)
<b>Operating profit before working capital changes</b>	<b>2,113.53</b>	<b>1,297.82</b>
<b>Change in operating assets and liabilities</b>		
(Increase)/ decrease in loans	(0.40)	(4.16)
(Increase)/ decrease in Other financial assets	7.26	18.95
(Increase)/ decrease in inventories	97.84	547.91
(Increase)/ decrease in trade receivables	2,234.10	(1,512.72)
(Increase)/ decrease in Other assets	(311.73)	439.48
Increase/ (decrease) in provisions and other liabilities	254.36	508.78
Increase/ (decrease) in trade payables	(87.63)	65.22
<b>Cash generated from operations</b>	<b>4,307.33</b>	<b>1,361.28</b>
Less : Income taxes paid (net of refunds)	(13.10)	49.80
<b>Net cash from operating activities (A)</b>	<b>4,294.23</b>	<b>1,411.08</b>
<b>Cash Flows from Investing activities</b>		
Purchase of Property, Plant and Equipment (including movements in CWIP)	(589.35)	(826.27)
Sale proceeds of Property, Plant and Equipment	700.88	671.19
(Purchase)/ disposal proceeds of Investments	0.00	170.00
(Investments in)/ Maturity of fixed deposits with banks	372.39	(14.89)
Loans to subsidiaries (net)	(3,874.25)	(679.10)
Interest income	1,636.54	184.75
Dividend Income	49.30	46.95
<b>Net cash used in investing activities (B)</b>	<b>(1,704.49)</b>	<b>(447.37)</b>
<b>Cash Flows from Financing activities</b>		
Proceeds from/ (repayment of) long term borrowings	(373.91)	2,164.45
Proceeds from/ (repayment of) short term borrowings	(1,060.38)	(1,994.25)
Finance costs	(1,056.85)	(1,141.05)
Dividend paid	2.46	(0.56)
Dividend transferred to Investor Education and Protection Fund	(4.04)	(6.25)
Interim Dividend paid (Including dividend distribution tax)	(96.60)	
Payment of lease liabilities	(31.60)	
<b>Net cash from/ (used in) financing activities (C)</b>	<b>(2,620.92)</b>	<b>(977.66)</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(31.18)</b>	<b>(13.95)</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>	<b>109.18</b>	<b>123.13</b>
<b>Cash and cash equivalents at end of the year</b>	<b>78.00</b>	<b>109.18</b>
<b>Notes:</b>		
1. The above cash flow statement has been prepared under indirect method prescribed in Ind AS 7 "Cash Flow Statements".		
2. Components of cash and cash equivalents		
Balances with banks		
In current accounts	68.70	94.58
Cash on hand	9.30	14.60
<b>Total Cash and Cash equivalents</b>	<b>78.00</b>	<b>109.18</b>

For Elgi Rubber Company Limited

Sudarsan Varadaraj  
Director  
DIN : 00133533



Place: Coimbatore  
Date : June 25, 2020