



July 26, 2017

National Stock Exchange of India Ltd,  
Exchange Plaza, 5th Floor,  
Plot No. C/1, G Block,  
Bandra-Kurla Complex,  
Bandra (E)  
Mumbai-400 051.BSE Ltd,  
1st Floor,  
New Trading Ring, Rotunda Building,  
P J Towers, Dalal Street,  
Fort,  
Mumbai- 400 001.**Stock Code: SHANTIGEAR**  
Trough NEAPS**Stock Code: 522034**  
Through BSE Listing Centre

Dear Sir,

**Sub: Outcome of Board Meeting**

Further to our letter dated 13<sup>th</sup> July, 2017, we write to inform that at the meeting held today (26<sup>th</sup> July, 2017), the Board of Directors have approved the following:

**1) Unaudited Financial Results of the Company for the first quarter ended 30<sup>th</sup> June, 2017**

Unaudited Financial Results of the Company for the first quarter ended 30<sup>th</sup> June, 2017 in the detailed format under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as approved by the Board together with a copy of the Limited Review report of M/s. Deloitte Haskins & Sells, Chartered Accountant & Statutory Auditor of the Company is enclosed for your records and uploading in your website. A copy of the same will be uploaded in the Company's website [www.shanthigears.com](http://www.shanthigears.com). An extract of the aforesaid financial results in the manner prescribed under the SEBI Listing Regulations will be published in English and Tamil newspapers within time stipulated.

A copy of the press release made with regard to the unaudited financial results for the first quarter ended 30<sup>th</sup> June, 2017 is further enclosed.

For your information, the Board Meeting commenced at 11.30 A.M. and concluded at 2.40 P.M.

Please take the above on your record.

Thanking you,

Yours faithfully,  
For **SHANTHI GEARS LIMITED**

**C. Subramaniam**  
Company Secretary

Encl: As above



**Shanthi Gears Limited**

CIN: L29130TZ1972PLC000649

Regd. Office: 304-A, Trichy Road, Singanallur, Coimbatore-641005. Tel: +91-422-4545745 Fax: +91-422-4545700

Email: cs@shanthigears.murugappa.com, Website: www.shanthigears.com

**Statement of Unaudited Financial Results for the Quarter Ended 30 June 2017**

**Financial Information**


₹ Crores

Sl No	Particulars	Quarter ended			Year ended
		30.06.2017	31.03.2017	30.06.2016	31.03.2017
		Unaudited	Audited (Refer Note 4)	Unaudited	Audited
1	<b>Revenue from Operations</b>	56.49	55.40	46.42	203.82
	Other Income	2.66	2.75	2.49	10.73
	<b>Total Income</b>	<b>59.15</b>	<b>58.15</b>	<b>48.91</b>	<b>214.55</b>
2	<b>Expenses</b>				
	(a) Cost of materials consumed	23.16	21.69	15.54	77.46
	(b) Changes in Inventories of finished goods, work-in-progress	(2.50)	(1.76)	(1.34)	(8.40)
	(c) Excise duty	5.43	5.20	4.66	19.87
	(d) Employee benefits expense	10.19	10.27	9.42	38.86
	(e) Depreciation and amortisation expense	4.17	4.46	4.26	17.83
	(f) Other expenses	11.82	12.19	9.74	40.43
	<b>Total Expenses</b>	<b>52.27</b>	<b>52.05</b>	<b>42.28</b>	<b>186.05</b>
3	<b>Profit before tax (1-2)</b>	<b>6.88</b>	<b>6.10</b>	<b>6.63</b>	<b>28.50</b>
4	<b>Tax Expense</b>				
	Current tax	2.09	0.57	2.97	8.10
	Deferred tax	(0.27)	(0.63)	(1.23)	(2.11)
	<b>Total tax expense</b>	<b>1.82</b>	<b>(0.06)</b>	<b>1.74</b>	<b>5.99</b>
5	<b>Profit for the periods / year after tax (3-4)</b>	<b>5.06</b>	<b>6.16</b>	<b>4.89</b>	<b>22.51</b>
6	Other Comprehensive Income (net of tax)	-	(0.08)	-	(0.08)
7	<b>Total Comprehensive Income</b>	<b>5.06</b>	<b>6.08</b>	<b>4.89</b>	<b>22.43</b>
8	Paid-up Equity Share Capital (Face Value of Re.1 each)	8.17	8.17	8.17	8.17
9	Reserves and Surplus (i.e Other Equity)	-	-	-	298.15
10	Earnings Per Share of Face value of ₹1 each (Not annualised for the quarters)				
	Basic and Diluted EPS	0.62	0.75	0.60	2.75

**Notes**

- The above Financial Results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at the meeting held on 26 July 2017.
- The above results have been subjected to Limited Review by Statutory Auditors.
- The Company's main business is manufacture of Gears and Gear Products. There are no separate reportable segments as per Ind AS 108 - Operating Segments
- The figures of quarter ended 31.03.2017 are the balancing figures between the figures in respect of the full financial year and the published year-to-date figures upto the third quarter of the previous financial year.
- The above financial results are also available on our website www.shanthigears.com
- Previous period figures have been regrouped / reclassified, wherever necessary.

For Shanthi Gears Limited

  
**M M Murugappan**  
 Chairman

Place : Coimbatore

Date : 26 July 2017





## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF SHANTHI GEARS LIMITED

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **SHANTHI GEARS LIMITED** ("the Company") for the Quarter ended June 30, 2017 ("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 modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.



For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)

A handwritten signature in black ink, appearing to read "C.R. Rajagopal".

**C.R. Rajagopal**  
Partner  
Membership No. 023418

Place: Coimbatore  
Date: July 26, 2017



### Quarterly Financial Results of Shanthi Gears Ltd

#### Shanthi Gears Turnover up by 22 %

The Board of Shanthi Gears Ltd (SGL), a subsidiary of Tube Investments of India Ltd, (TII) met today to discuss the unaudited financial results for the quarter ended 30<sup>th</sup> June, 2017. The turnover for the quarter was Rs. 56.49 Crores against Rs. 46.42 Crores in the same quarter of the previous year. The Profit before tax for the quarter was Rs. 6.88 Crores against Rs. 6.63 Crores in the same quarter of the previous year.

During the quarter, the Company built its order book by Rs. 64 Crores (PY Rs. 50 Crores). Growth led strategies of enhancing efficiencies, exploring new markets and enlarging customer base has helped the Company to remain focused on a path to steady and sustainable growth.

The Company's current order book is at Rs. 125 Crores. The Company will continue to invest in technology to enhance its capability to service high precision- heavy duty gearboxes.