

Financial Results of Shanthi Gears Ltd

Full year PBT up by 28%

Coimbatore, 29th April 2019: The Board of Shanthi Gears Ltd. (SGL) a subsidiary of Tube Investments of India Ltd, (TII) met today to discuss the audited financial results for the quarter and year ended 31st March, 2019.

Highlights

The Company continues to focus on 4 key priorities of revenue growth, profitability, ROCE and Free Cash Flow (FCF)

- Revenue of Rs. 60.1 Cr. in the quarter with a growth of 10% over Q4 of last year. Revenue of Rs. 242.9 Cr. in the year with 13% growth over the last year.
- The Profit before tax for the year was higher by 28% at Rs. 42.6 Crores against Rs. 33.1 Crores in the previous year. The Profit before tax for the quarter was Rs. 7.7 Crores against Rs. 7.3 Crores in the same quarter previous year, up by 6%.
- Higher profitability and lower capital employed enabled improvement in Return on average Capital Employed (ROCE) for the year to 21.1% from 13.7% in the previous year.
- The Company generated operating free cash flow of Rs. 32.4 Crores during the year

The Board of Directors has recommended a final dividend of Re. 1 per equity shares of Re. 1 each for the year ended 31 March 2019. Total dividend pertaining to the financial year 18-19 is Rs. 6 per equity share including an one time special interim dividend of Rs. 5/- per equity shares of Re. 1 each which was declared at the meeting of Board of Directors held on 26 December 2018.

During the quarter the Company improved its orderbook position significantly by booking orders for Rs. 72.4 Crores (against Rs. 62 Crores for corresponding quarter of the previous year), a growth of 19%. During the year the Company improved its orderbook position significantly by booking orders for Rs. 288 Crores (against Rs. 231 Crores for the previous year), a growth of 25%.

Pending orderbook as on 31st March 2019 was Rs. 168 Crores against Rs. 130 Crores in the previous year. The Company continues to remain focused on expanding its customer base, enhancing its dealer and service network and improving the production capabilities through investments in modern technologies.

About Murugappa Group

Founded in 1900, the INR 329 Billion (32,893 Crores) Murugappa Group is one of India's leading business conglomerates. The Group has 28 businesses including nine listed Companies traded in NSE & BSE. Headquartered in Chennai, the major Companies of the Group include Carborundum Universal Ltd., Cholamandalam Investment and Finance Company Ltd., Cholamandalam MS General Insurance Company Ltd., Coromandel International Ltd., Coromandel Engineering Company Ltd., E.I.D. Parry (India) Ltd., Parry Agro Industries Ltd., Shanthi Gears Ltd., Tube Investments of India Ltd., Cholamandalam Financial Holdings Ltd and Wendt (India) Ltd.

Market leaders in served segments including Abrasives, Auto Components, Transmission systems, Cycles, Sugar, Farm Inputs, Fertilisers, Plantations, Bio-products and Nutraceuticals, the Group has forged strong alliances with leading international companies such as Groupe Chimique Tunisien, Foskor, Mitsui Sumitomo, Morgan Advanced Materials, Sociedad Química y Minera de Chile (SQM), Yanmar & Co. and Compagnie Des Phosphat De Gafsa (CPG). The Group has a wide geographical presence all over India and spanning 6 continents.

Renowned brands like BSA, Hercules, Montra, Mach City, Ballmaster, Ajax, Parry's, Chola, Gromor, Shanthi Gears and Paramfos are from the Murugappa stable. The Group fosters an environment of professionalism and has a workforce of over 35,000 employees.

For more details, visit www.murugappa.com

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