



April 29, 2019

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 CentreTotal 7 pages (including covering letter)

Dear Sir,

Sub: Outcome of Board Meeting

Further to our letter dated 15th April, 2019, we write to inform that at the meeting held today (29th April, 2019), the Board of Directors of the Company have approved the following:

1) Audited Financial Results for the financial year ended 31st March, 2019

The Board of Directors of the Company, at their meeting held today (29th April, 2019), approved the audited financial results for the financial year ended 31st March, 2019.

Accordingly, pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") we enclose the following:

- i) Statement showing the Audited Financial Results for the quarter and year ended 31st March, 2019;
- ii) Auditor's Report from the Statutory Auditors, M/s. Deloitte Haskins & Sells on the above financial results;

Further, as required under Clause 4.1 of SEBI's circular dated 27th May, 2016, we confirm that the Statutory Auditors of the Company have issued the Report on the audited financial results of the Company for the year ended 31st March, 2019, with unmodified opinion.

This is for your records and for uploading in your website. A copy of the same will be uploaded in the Company's website 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 audited financial results for the quarter and year ended 31st March, 2019 is enclosed.

Works: "C" Unit, Avinashi Road, Muthugounden Pudur Post, Coimbatore - 641 406, India.
Tel: +91 422 4545745 / Fax: +91 422 4545700 / Mobile: +91 96262 60500 (8 Lines)

**2) Recommendation of Final Dividend**

The Board of Directors have recommended a final dividend of Re.1/- (Rupee One) only per equity share of Re.1/- each (ISIN INE631A01022) for the financial year ended 31st March,2019. Together with the one-time special interim dividend of Rs.5/- per share, paid on 14th January,2019, the total dividend for the financial year 2018-19 works out to Rs.6/- per share. The said final dividend, if approved by the Members at the ensuing Annual General Meeting, will be paid on or after 28th July,2019.

3) Closure of Register of Members

Please note that the share transfer books of the Company will remain closed from **Saturday, 13th July, 2019 to Tuesday, 23rd July,2019** (both days inclusive) for the purpose determining the Members eligible to receive the final dividend, if declared by the Shareholders at the ensuing 46th Annual General Meeting.

4) 46th Annual General Meeting

The 46th Annual General Meeting of Members of the Company will be held on **Tuesday, 23rd July,2019**.

For your information, the Board Meeting commenced at 11.30 A.M. and concluded at 2.55 P.M.

Please take the above on your record.

Thanking you,

Yours faithfully,
For **SHANTHI GEARS LIMITED**

C. Subramaniam
Company Secretary

Encl: As above

Shanthy 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 Financial Results for the Quarter and Year Ended 31 March 2019

Financial Information

₹ Crores

Sl No	Particulars	Quarter ended			Year ended	
		31.03.2019 (Refer Note 6)	31.12.2018 Unaudited	31.03.2018 (Refer Note 6)	31.03.2019 Audited	31.03.2018 Audited
1	Revenue from Operations	60.10	61.51	54.80	242.97	219.55
	Other Income	2.57	3.41	3.99	11.80	11.92
	Total Income	62.67	64.92	58.79	254.77	231.47
2	Expenses					
	(a) Cost of materials consumed	32.35	28.69	20.23	115.76	81.42
	(b) Changes in Inventories of finished goods and work-in-progress	(2.44)	(2.36)	5.28	(7.88)	8.87
	(c) Excise duty	-	-	-	-	5.43
	(d) Employee benefits expense	11.56	11.58	10.85	45.40	41.72
	(e) Depreciation and amortisation expense	2.19	2.57	3.46	10.62	15.56
	(f) Other expenses	11.35	12.09	11.72	48.41	45.30
	Total Expenses	55.01	52.57	51.54	212.31	198.30
3	Profit before tax (1-2)	7.66	12.35	7.25	42.46	33.17
4	Tax Expense					
	Current tax	1.45	2.45	(1.42)	8.20	7.00
	Deferred tax	0.20	0.06	(0.95)	0.91	(2.41)
	Total tax expense	1.65	2.51	(2.37)	9.11	4.59
5	Profit for the periods / year after tax (3-4)	6.01	9.84	9.62	33.35	28.58
6	Other Comprehensive Income (net of tax)					
	Items not to be reclassified to profit or loss in subsequent periods					
	Re-measurement gains and (losses) on defined benefit obligation (net)	0.25	-	0.17	0.25	0.17
	Income tax relating to Item that will not be reclassified into profit or loss	(0.07)	-	(0.06)	(0.07)	(0.06)
	Other Comprehensive Income for the period / year	0.18	-	0.11	0.18	0.11
7	Total Comprehensive Income (5+6)	6.19	9.84	9.73	33.53	28.69
8	Paid-up Equity Share Capital (Face Value of ₹1 each)	8.17	8.17	8.17	8.17	8.17
9	Reserves and Surplus (i.e Other Equity)				293.91	309.62
10	Earnings Per Share (EPS) of Face value of ₹1 each (Not annualised for the quarters)					
	Basic and Diluted EPS ₹	0.74	1.20	1.18	4.08	3.50

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 29 April 2019.
- 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 Board of Directors in a meeting held on 26 December 2018 approved a proposal for buyback of equity shares of the Company, not exceeding 50 lakh equity shares of ₹ 1/- each fully paid-up, at a price of ₹140 per share, through the tender route on a proportionate basis, from the shareholders, which got approved by the shareholders through postal ballot on 29 January 2019 and approved by SEBI on 26 February 2019. Consequently 50,00,000 shares have been extinguished on 9 April 2019.
- The Board of Directors has recommended a final dividend of ₹1 per equity shares of ₹1 each for the year ended 31 March 2019. An one time special interim dividend of ₹ 5/- per equity shares of ₹1 each was declared at the meeting of Board of Directors held on 26 December 2018 and the same has been paid.
- The above financial results are also available on our website www.shanthigears.com
- The figures of the last quarter are balancing figures between the audited figures in respect of the full financial years and the published year-to-date figures upto the third quarter of the respective financial years.
- Previous period figures have been regrouped wherever necessary.

For Shanthy Gears Limited



L. Ramkumar
Chairman

Place : Coimbatore

Date : 29 April 2019



Shanthi Gears Limited
Statement of Assets and Liabilities

₹ Crores

Particulars		As at 31.03.2019 (Audited)	As at 31.03.2018 (Audited)
I.	Assets		
1	Non-current Assets		
	(a) Property, plant and equipment	51.09	49.44
	(b) Capital work-in-progress	0.18	0.50
	(c) Investment Property	7.09	7.11
	(d) Intangible assets	0.45	0.26
	(e) Financial Assets	-	-
	(i) Investments	14.16	12.17
	(f) Deferred Tax Assets (net)	4.96	5.95
	(g) Other non-current assets	5.74	5.81
	Total non-current assets	83.67	81.24
2	Current Assets		
	(a) Inventories	70.13	58.88
	(b) Financial Assets		
	(i) Investments	109.69	101.40
	(ii) Trade Receivables	56.51	55.48
	(iii) Cash and Cash Equivalents	1.55	0.98
	(iv) Other balances with banks	18.19	0.50
	(v) Other financial assets	5.51	56.23
	(c) Current Tax Assets (Net)	2.02	-
	(d) Other current assets	5.35	5.35
	Total current assets	268.95	278.82
	TOTAL ASSETS	352.62	360.06
II.	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share capital	8.17	8.17
	(b) Other Equity	293.91	309.62
		302.08	317.79
	Liabilities		
1	Non-current Liabilities		
	(a) Financial Liabilities		
	(i) Other Long-Term Liabilities	1.07	0.88
	(b) Provisions	0.16	0.10
	Total non current liabilities	1.23	0.98
2	Current Liabilities		
	(a) Financial Liabilities		
	(i) Trade Payables		
	- total outstanding dues of micro enterprises and small enterprises	0.28	-
	- total outstanding dues of creditors other than micro enterprises and small enterprises	30.65	23.67
	(ii) Other financial liabilities	0.69	0.50
	(b) Provisions	0.66	0.61
	(c) Current Tax Liabilities (Net)	-	0.30
	(d) Other current liabilities	17.03	16.21
	Total current liabilities	49.31	41.29
	Total liabilities	50.54	42.27
	TOTAL EQUITY AND LIABILITIES	352.62	360.06

For and on behalf of the Board of Directors

Place : Coimbatore
Date : 29 April 2019




L Ramkumar
Chairman

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF SHANTHI GEARS LIMITED

1. We have audited the accompanying Statement of Financial Results of **SHANTHI GEARS LIMITED** ("the Company") for the year ended March 31, 2019 ("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.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such financial statements.
3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) is presented in accordance with the requirements 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; and



Deloitte Haskins & Sells

- (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and Total comprehensive income and other financial information of the Company for the year ended March 31, 2019.
5. The Statement includes the results for the Quarter ended March 31, 2019 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.



For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 0080726)

A handwritten signature in black ink, appearing to read "C.R. Rajagopal", written over a diagonal line.

C.R. Rajagopal
Partner
(Membership No. 023418)

Coimbatore, April 29, 2019

Financial Results of Shanthi Gears Ltd

Full year PBT up by 28%

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 ₹ 60.1 Cr. in the quarter with a growth of 10% over Q4 of last year. Revenue of ₹ 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 ₹ 42.6 Crores against ₹ 33.1 Crores in the previous year. The Profit before tax for the quarter was ₹ 7.7 Crores against ₹ 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 ₹ 32.4 Crores during the year

The Board of Directors has recommended a final dividend of ₹1 per equity shares of ₹1 each for the year ended 31 March 2019. Total dividend pertaining to the financial year 18-19 is ₹6 per equity share including an one time special interim dividend of ₹ 5/- per equity shares of ₹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 ₹ 72.4 Crores (against ₹ 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 ₹ 288 Crores (against ₹ 231 Crores for the previous year), a growth of 25%.

Pending orderbook as on 31st March 2019 was ₹ 168 Crores against ₹ 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.