Shanthi Gears Limited

CIN: L29130TZ1972PLC000649

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

Email: waltervasanthpj@shanthigears.murugappa.com | Website:www.shanthigears.com

Statement of Financial Results for the Quarter and Six months ended 30 September 2026

Sl No	Particulars	Quarter ended			Six months ended		Year ended
		30.09.2026	30.06.2026	30.09.2025	30.09.2026	30.09.2025	31.03.2026
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from Operations	127.99	115.49	131.91	243.48	266.80	518.72
	Other Income	3.10	4.16	5.94	7.26	9.71	19.63
	Total income	**131.09**	**119.65**	**137.85**	**250.74**	**276.51**	**538.35**
2	**Expenses**						
	Cost of materials consumed	61.61	70.87	61.50	132.48	124.00	255.12
	Changes in inventories of finished goods and work-in-progress	(1.73)	(10.98)	0.98	(12.71)	(0.09)	(10.46)
	Employee benefits expense	20.75	19.78	20.55	40.53	39.90	78.68
	Depreciation and amortisation expense	5.48	5.06	3.78	10.54	7.44	16.06
	Finance Costs	0.11	0.11	-	0.22	-	-
	Other expenses	24.66	20.64	22.36	45.30	45.96	91.47
	Total Expenses	**110.88**	**105.48**	**109.17**	**216.36**	**217.21**	**430.87**
3	**Profit before tax and Exceptional Items (1-2)**	**20.21**	**14.17**	**28.68**	**34.38**	**59.30**	**107.48**
4	**Exceptional Items**						
	Statutory Impact of new Labour Code (Refer Note 3)	-	-	-	-	-	4.78
5	**Profit before tax (3-4)**	**20.21**	**14.17**	**28.68**	**34.38**	**59.30**	**102.70**
6	**Tax Expense**						
	Current tax	3.91	4.87	7.54	8.78	15.80	27.38
	Deferred tax charge / (benefit)	0.58	(0.55)	(0.37)	0.03	(0.70)	(1.34)
	Total Tax Expense	**4.49**	**4.32**	**7.17**	**8.81**	**15.10**	**26.04**
7	**Profit after tax (5-6)**	**15.71**	**9.85**	**21.51**	**25.57**	**44.20**	**76.66**
8	Other comprehensive income (net of tax)						
	Items that will not be reclassified to statement of profit and loss in subsequent periods:						
	Re-measurement gain / (loss) on defined benefit obligations (Net)	(0.83)	-	(0.32)	(0.83)	(0.32)	(1.65)
	Income tax relating to item that will not be reclassified to statement of profit and loss in subsequent periods	0.21	-	0.08	0.21	0.08	0.42
	Other comprehensive income/(loss) for the period / year	**(0.62)**	**-**	**(0.24)**	**(0.62)**	**(0.24)**	**(1.23)**
9	**Total comprehensive income (7+8)**	**15.09**	**9.85**	**21.27**	**24.95**	**43.96**	**75.43**
10	Paid up equity share capital (Face value of ₹1 each)	7.67	7.67	7.67	7.67	7.67	7.67
11	Reserves and surplus (i.e. Other equity)						432.39
12	Earnings Per Share (EPS) of Face value of ₹1 each (Not annualised for the quarters)						
	Basic EPS ₹	2.05	1.28	2.80	3.33	5.76	9.99
	Diluted EPS ₹	2.05	1.28	2.80	3.33	5.76	9.99

Notes

1. These unaudited financial results have been prepared in accordance with the recognition and measurement principles provided in Indian Accounting Standards, 'Interim Financial Reporting' ('Ind AS 34') prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued there under and other recognized accounting principles generally accepted in India and is in compliance with the Securities and Exchange Board of India (SEBI) under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. The above financial results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on October 26, 2026 and has been subjected to limited review by the Statutory Auditors of the company.

2. The Company's main business is manufacture of Gearboxes and Gear Products. There are no separate reportable segments as per Ind AS 108 - Operating Segments.

3. On 21 November 2025, the Government of India notified the four Labour Codes - the Code on Wages 2019, the Industrial Relations Code 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft central rules and FAQs to enable assessment of financial impact due to changes in regulations. The Company has assessed and disclosed the incremental impact of these chenges on the basis of actuarial valuation obtained and the best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. The incremental impact in the provision for Defined Benefit Obligation amounting to Rs. 4.78 Cr in the audited financial results for the year ended 31 March 2026 arises primarily due to a change in the wage definition and has been presented as "Statutory impact of new labour code" under "Exceptional Items". The Company continues to monitor the finalization of Central / State Rules and the clarification from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

4. The preparation of Consolidated Financial Results for the quarter and six months ended 30 September 2026 are not applicable since the Company does not have any Subsidiary / Associate / Joint Venture.

5. Previous period/year figures have been re-grouped wherever necessary.

6. The above financial results are also available on our website www.shanthigears.com

M S K A & Associates LLP Chartered Accountants

SHANTHI GEARS LIMITED COIMBATORE

For and on behalf of the Board of Directors

M Karunakaran
Whole-time Director & CEO
(DIN-09004843)

Place : Coimbatore
Date : October 26, 2026

Shanthi Gears Limited
Statement Of Assets And Liabilities

(₹ in Crores)

	Particulars	As at 30 September 2026 (Unaudited)	As at 31 March 2026 (Audited)
I.	**ASSETS**		
1	**Non-Current Assets**		
	(a) Property, plant and equipment	111.37	97.99
	(b) Right of Use Asset	5.32	0.00
	(c) Capital work-in-progress	15.44	25.79
	(d) Investment property	7.26	7.32
	(e) Intangible assets	0.51	0.52
	(f) Financial assets		
	(i) Investments	10.18	10.18
	(ii) Other financial assets	10.81	5.53
	(g) Deferred tax assets (net)	7.20	7.02
	(h) Income Tax Assets (net)	5.27	1.28
	(i) Other non-current assets	0.81	0.32
	Total non-current assets	**174.17**	**155.95**
2	**Current Assets**		
	(a) Inventories	128.44	112.84
	(b) Financial assets		
	(i) Investments	55.65	65.31
	(ii) Trade receivables	96.40	115.62
	(iii) Cash and cash equivalents	2.70	1.33
	(iv) Bank balances other than (iii) above	66.14	73.88
	(v) Loans	0.11	0.14
	(vi) Other financial assets	31.14	19.42
	(c) Other current assets	9.69	11.10
	Total current assets	**390.27**	**399.64**
	Total Assets	**564.44**	**555.59**
II.	**EQUITY AND LIABILITIES**		
1	**Equity**		
	(a) Equity share capital	7.67	7.67
	(b) Other Equity	441.98	432.39
	Total Equity	**449.65**	**440.06**
2	**Non-current liabilities**		
	(a) Lease Liabilities	5.06	0.00
	(b) Provisions	5.68	7.43
	(c) Other non current liabilities	0.23	0.48
	Total Non-current liabilities	**10.97**	**7.91**
3	**Current Liabilities**		
	(a) Financial Liabilities		
	(i) Trade payables		
	(A) Total outstanding dues of micro enterprises and small enterprises	18.99	28.66
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	44.97	43.79
	(ii) Other financial liabilities	9.35	11.59
	(iii) Lease liabilities	0.34	0.00
	(b) Other current liabilities	27.98	21.55
	(c) Provisions	2.19	2.03
	Total Current liabilities	**103.82**	**107.62**
	Total Liabilities	**114.79**	**115.53**
	Total Equity and Liabilities	**564.44**	**555.59**

MSKA & Associates LLP Chartered Accountants

For and on behalf of the Board of Directors

SHANTHI GEARS LIMITED COIMBATORE

M Karunakaran
Whole-time Director & CEO
(DIN-09004843)

Place : Coimbatore
Date : October 26, 2026

Shanthi Gears Limited

Statement Of Cash Flows For The Six Months Ended 30 September 2026

(₹ in Crores)

Particulars	Six months ended 30-Sep-2026 (Unaudited)	Six months ended 30-Sep-2025 (Unaudited)
A. Cash Flow from Operating Activities:		
Profit before tax	**34.38**	**59.30**
Depreciation on Property, Plant and Equipment	10.05	7.06
Amortisation of Right-of-use assets	0.29	-
Depreciation on Investment Property	0.06	0.06
Amortisation of Intangible assets	0.15	0.32
Finance Costs	0.22	-
Gain on disposal of Property Plant and Equipment	-	(0.10)
Net gain arising of financial assets measured at fair value through profit or loss	(1.85)	(2.26)
Unrealised gain on foreign currency transactions and translations	(0.30)	(0.36)
Interest income from Fixed Deposits	(2.99)	(3.27)
Interest Income from Tax Free Bonds	(0.66)	(0.73)
Provision no longer required written back	(0.38)	(1.53)
Provision / (Reversal) for Credit impaired Other Receivables	-	1.17
Provision / (Reversal) for Credit impaired Trade Receivables	(0.36)	(0.09)
Provision for Inventories	4.86	(0.39)
Operating Profit before Working Capital Adjustments	**43.47**	**59.18**
Adjustments for (increase)/decrease in operating assets:		
Inventories	(20.47)	0.21
Trade Receivables	19.86	20.56
Other Financial Assets	1.72	(3.41)
Loans	0.03	0.03
Other Current Assets	1.43	(2.84)
Other Non-Current Assets	-	0.09
Adjustments for increase/(decrease) in operating liabilities:		
Trade Payables	(8.38)	(1.92)
Other Financial Liabilities	1.26	(1.99)
Other Current Liabilities	6.39	(1.82)
Other Non-Current Liabilities	-	0.73
Provisions	(2.42)	(0.28)
Cash Generated From Operations	**42.89**	**68.54**
Income Tax paid (net of refunds)	(12.75)	(17.68)
Net cash generated by operating activities (A)	**30.14**	**50.86**
B. Cash Flow from Investing Activities:		
Capital expenditure (including Capital Work In Progress and Capital Advances)	(17.42)	(19.35)
Proceeds from Disposal of Property, Plant and Equipment	0.14	0.16
(Purchase) of Current Investments	-	(8.00)
Proceeds from Disposal of Current Investments	11.50	-
Movement in Unpaid Dividend Account	(0.04)	-
(Investments) in fixed deposits, Net	(9.28)	(11.00)
Interest income received	1.98	5.61
Net Cash Used in Investing Activities	**(13.12)**	**(32.58)**
C. Cash Flow from Financing Activities:		
Dividends paid on equity shares	(15.30)	(15.34)
Payments towards lease liabilities	(0.35)	-
Net Cash Used in Financing Activities	**(15.65)**	**(15.34)**
Net Increase/(Decrease) in Cash and Cash Equivalents [A+B+C]	**1.37**	**2.94**
Cash and Cash Equivalents at the Beginning of the Year	**1.33**	**15.00**
Cash and Cash Equivalents as at End of the Year	**2.70**	**17.94**

MSKA & Associates LLP Chartered Accountants

SHANTHI GEARS LIMITED COIMBATORE

For and on behalf of the Board of Directors

M Karunakaran
Whole-time Director & CEO
(DIN-09004843)

Place : Coimbatore
Date : October 26, 2026

MSKA & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants

Olympia Cyberspace, 10th Floor
Module 4, 21/ 22, Alandur Road, Guindy
Chennai 600032, INDIA

Independent Auditor's Review Report on unaudited financial results of Shanthi Gears Limited for the quarter and six months ended pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To The Board of Directors of Shanthi Gears Limited

1. We have reviewed the accompanying statement of unaudited financial results of Shanthi Gears Limited (hereinafter referred to as 'the Company'), for the quarter and six months ended September 30, 2026 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulations').

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

3. 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 and other recognised accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M S K A & Associates LLP (Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No.105047W/W101187

MSKA & ASSOCIATES LLP * Chartered Accountants *

P Shankar Raman
Partner
Membership No.: 204764
UDIN: 26204764WIEKOT9607

Place: Coimbatore
Date: October 26, 2026