



Regd. Office :
304-A, Trichy Road,
Singanallur
Coimbatore - 641 005

Phone : +91-422-4545745
Fax : +91-422-4545700
E-mail : info@shanthigears.murugappa.com
Website : www.shanthigears.com
CIN : L29130TZ1972PLC000649
GST : 33AADCS0692L1Z7

July 25, 2022

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
Through NSE Digital Exchange

Stock Code: 522034
Through BSE Listing Centre

Total 5 pages (including covering letter)

Dear Sir,

Sub: Outcome of Board Meeting

Further to our letter dated 14th July, 2022, we write to inform that at the meeting held today (25th July, 2022), the Board of Directors *inter alia* have approved the unaudited financial results of the Company for the first quarter ended 30th June, 2022 in the detailed format under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Limited Review report of M/s. Deloitte Haskins & Sells, Chartered Accountant & Statutory Auditor of the Company. The same 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. 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 the time stipulated.

A copy of the press release made with regard to the un-audited financial results for the first quarter ended 30th June, 2022 is further enclosed.

For your information, the Board Meeting commenced at 12.00 P.M. and concluded at 3.30 P.M.

Please take the above on your record.

Thanking you,

Yours faithfully,
For **SHANTHI GEARS LIMITED**


C. Subramaniam
Company Secretary

Statement of Unaudited Financial Results for the Quarter ended 30 June 2022

Financial Information

₹ Crores

SI No	Particulars	Quarter ended			Year ended
		30.06.2022	31.03.2022	30.06.2021	31.03.2022
		Unaudited	Unaudited (Refer Note 4)	Unaudited	Audited
1	Revenue from Operations	98.85	103.62	66.97	337.07
	Other Income	2.14	2.30	2.10	9.05
	Total Income	100.99	105.92	69.07	346.12
2	Expenses				
	(a) Cost of materials consumed	52.16	55.83	30.14	162.17
	(b) Changes in Inventories of finished goods and work-in-progress	(2.96)	(0.53)	0.03	4.42
	(c) Employee benefits expense	15.22	14.07	13.24	56.91
	(d) Depreciation and amortisation expense	2.57	2.54	2.59	10.37
	(e) Other expenses	16.31	15.35	11.57	53.52
	Total Expenses	83.30	87.26	57.57	287.39
3	Profit before tax (1-2)	17.69	18.66	11.50	58.73
4	Tax Expense				
	Current tax	4.76	4.02	2.70	15.27
	Deferred tax	(0.51)	2.42	0.22	0.99
	Total tax expense	4.25	6.44	2.92	16.26
5	Profit for the periods / year after tax (3-4)	13.44	12.22	8.58	42.47
6	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)	(0.05)	(0.49)	(0.03)	(0.59)
	Income Tax relating to Item that will not be reclassified to Statement of Profit and Loss in subsequent periods	0.01	0.11	0.01	0.13
	Other Comprehensive Income for the period / year	(0.04)	(0.38)	(0.02)	(0.46)
7	Total Comprehensive Income (5+6)	13.40	11.84	8.56	42.01
8	Paid up Equity Share Capital (Face Value of ₹1 each)	7.67	7.67	7.67	7.67
9	Reserves and Surplus (i.e. Other Equity)				252.29
10	Earnings Per Share (EPS) of Face value of ₹1 each (Not annualised for the quarters)				
	Basic EPS ₹	1.75	1.59	1.12	5.54
	Diluted EPS ₹	1.75	1.59	1.12	5.54

For Shanthi Gears Limited



M Karunakaran

Whole-time Director

DIN: 09004843

Place : Coimbatore

Date : 25 July 2022

Notes

1. 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 25 July 2022. The statement of financial results for the quarter ended 30 June 2022 has been reviewed by the statutory Auditors' of the company.
2. 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
3. The Indian Parliament approved the Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits in September 2020 and the same has received Presidential assent. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company is in the process of assessing the impact of the Code and will record any related impact in the period the Code becomes effective.
4. The figures for the quarter ended 31 March 2022 are balancing figures between the audited figures in respect of the full financial year ended 31 March 2022 and the published year-to-date figures upto the period ended 31 December 2021.
5. Previous period figures have been regrouped wherever necessary.
6. The above financial results are also available on our website www.shanthigears.com

For Shanthi Gears Limited



M Karunakaran
Whole-time Director
DIN: 09004843

Place : Coimbatore
Date : 25 July 2022

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 30 June 2022 ("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.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's 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 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 the Company's personnel 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 Companies Act, 2013 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 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 amended, 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)



Krishna Prakash E

Krishna Prakash E
Partner

Membership No.216015

UDIN: 22216015ANNUSJ9659

COIMBATORE, 25 July 2022

Financial Results of Shanthi Gears Limited

Shanthi Gears Net Profit Up by 57%

The Board of Directors of Shanthi Gears Limited (SGL), a subsidiary of Tube Investments of India Limited (TII), met today and approved the financial results for the quarter ended 30th June 2022.

Highlights

The Company continues to focus on 4 key priorities of Revenue growth, Profitability, Return on Invested Capital (ROIC) and Free Cash Flow (FCF). SGL delivered strong performance on all these 4 priorities:

- Revenue of ₹ 99 Crs in the quarter with a growth of 48% over Q1 of previous year.
- The Profit before tax for the quarter up by 54% at ₹ 17.7 Crores as against ₹ 11.5 Crores in Q1 of previous year. The Profit before tax % to Sales was 18% for Q1.
- Focus on cost optimisation and lower capital employed enabled to sustain healthy Return on average Invested Capital (ROIC) to 45% during Q1
- The Company generated Free Cash Flow of ₹ 17.5 Crores during Q1. Free Cash Flow to PAT is 130% in Q1.

During the quarter the Company booked orders for ₹ 105 Crores (against ₹ 84 Crores for corresponding quarter of the previous year) and Pending order book as on 30th June 2022 was ₹ 274 Crores (against ₹ 235 Crores in corresponding quarter of the previous year).