



November 2, 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
Through NEAPS

Stock Code: 522034
Through BSE Listing Centre

Total 6 pages (including covering letter)

Dear Sir,

Sub: Outcome of Board Meeting

Further to our letter dated 9th October, 2017, we write to inform that at the meeting held today (2nd November, 2017), the Board of Directors have approved the following:

1) Unaudited Financial Results of the Company for the second quarter ended 30th September, 2017

Unaudited Financial Results of the Company for the second quarter ended 30th September, 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. 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 second quarter ended 30th September, 2017 is further enclosed.

2) Resignation of Mr. M M Murugappan as a Chairman & Director

The Board of Directors has accepted the resignation of Mr. M M Murugappan as a Chairman & Director with immediate effect.

For your information, the Board Meeting commenced at 11.30 A.M. and concluded at 2.30 P.M.

Please take the above on your record.

Shanthi Gears

AS 9100C

(Based on and including ISO 9001:2008)



SHANTHI GEARS LIMITED

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



murugappa

Thanking you,

Yours faithfully,
For **SHANTHI GEARS LIMITED**


C SUBRAMANIAM
COMPANY SECRETARY

Encl: As above

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)

ALL AGREEMENTS CONTINGENT UPON STRIKES, ACCIDENTS AND OTHER CONDITIONS BEYOND OUR CONTROL. ALL CONTRACTS ARE SUBJECT TO APPROVAL BY AN OFFICER OF THE COMPANY. SUBJECT TO COIMBATORE JURISDICTION

Shanthi Gears Limited

CIN: L29130TZ1972PLC000649

Regd. Office: 304-A, Trichy Road, Singanailur, 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 and Six months Ended 30 September 2017

Financial Information

₹ Crores

SI No	Particulars	Quarter ended			Six Months ended		Year ended
		30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016	31.03.2017
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from Operations (Refer Note-4)	54.31	56.49	50.85	110.80	97.27	203.82
	Other Income	2.57	2.66	3.07	5.23	5.56	10.73
	Total Income	56.88	59.15	53.92	116.03	102.83	214.55
2	Expenses						
	(a) Cost of materials consumed	19.56	23.16	18.82	42.72	34.36	77.46
	(b) Changes in Inventories of finished goods, work-in-progress	2.33	(2.50)	(0.52)	(0.17)	(1.86)	(8.40)
	(c) Excise duty	0.02	5.43	4.96	5.45	9.62	19.87
	(d) Employee benefits expense	10.33	10.19	9.06	20.52	18.56	38.86
	(e) Depreciation and amortisation expense	4.13	4.17	4.52	8.30	8.78	17.83
	(f) Other expenses	10.88	11.82	7.89	22.70	17.55	40.43
	Total Expenses	47.25	52.27	44.73	99.52	87.01	186.05
3	Profit before tax (1-2)	9.63	6.88	9.19	16.51	15.82	28.50
4	Tax Expense						
	Current tax	3.33	2.09	2.02	5.42	4.98	8.10
	Deferred tax	(0.86)	(0.27)	0.44	(1.13)	(0.78)	(2.11)
	Total tax expense	2.47	1.82	2.46	4.29	4.20	5.99
5	Profit for the periods / year after tax (3-4)	7.16	5.06	6.73	12.22	11.62	22.51
6	Other Comprehensive Income (net of tax)	-	-	-	-	-	(0.08)
7	Total Comprehensive Income	7.16	5.06	6.73	12.22	11.62	22.43
8	Paid-up Equity Share Capital (Face Value of ₹1 each)	8.17	8.17	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 / six months)						
	Basic and Diluted EPS	0.88	0.62	0.82	1.50	1.42	2.75

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 02 November 2017.
2. The above results have been subjected to Limited Review by Statutory Auditors.
3. 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
4. Revenue for the Quarter ended September 30, 2017 is exclusive of Goods and Service Tax (GST), however revenue for the quarter ended June 30, 2017 and comparative periods are inclusive of excise duty.
5. The above financial results are also available on our website www.shanthigears.com
6. Previous period figures have been regrouped / reclassified, wherever necessary.

Place : Coimbatore
Date : 02 November 2017



For Shanthi Gears Limited

M M Murugappan
M M Murugappan
Chairman

Shanthi Gears Limited
Statement of Assets and Liabilities

₹ Crores

	Particulars	As at 30.09.2017 (Unaudited)	As at 31.03.2017 (Audited)
I.	Assets		
1	Non-current Assets		
	(a) Property, plant and equipment	51.74	57.91
	(b) Capital work-in-progress	0.23	0.77
	(c) Investment Property	7.13	7.20
	(d) Intangible assets	0.13	0.21
	(e) Financial Assets		
	(i) Investments	12.17	12.17
	(f) Deferred Tax Assets (net)	4.73	3.60
	(g) Other non-current assets	7.15	6.52
	Total non-current assets	83.28	88.38
2	Current Assets		
	(a) Inventories	72.01	75.17
	(b) Financial Assets		
	(i) Investments	63.37	57.60
	(ii) Trade Receivables	55.14	45.93
	(iii) Cash and Cash Equivalents	1.41	2.09
	(iv) Other balances with banks	0.42	0.39
	(v) Other financial assets	71.84	69.50
	(c) Current Tax Assets (Net)	0.21	1.27
	(d) Other current assets	13.25	7.22
	Total current assets	277.65	259.17
	TOTAL ASSETS	360.93	347.55
II.	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share capital	8.17	8.17
	(b) Other Equity	302.96	298.15
		311.13	306.32
	Liabilities		
1	Non-current Liabilities		
	(a) Financial Liabilities		
	(i) Other Long-Term Liabilities	0.06	0.06
	(b) Provisions	0.10	0.10
	Total non current liabilities	0.16	0.16
2	Current Liabilities		
	(a) Financial Liabilities		
	(i) Trade Payables	26.04	25.04
	(ii) Other financial liabilities	0.42	0.39
	(b) Other current liabilities	22.87	15.12
	(c) Provisions	0.31	0.52
	Total current liabilities	49.64	41.07
	Total liabilities	49.80	41.23
	TOTAL EQUITY AND LIABILITIES	360.93	347.55

For and on behalf of the Board of Directors

Place : Coimbatore
Date : 02 November 2017



M M Murugappan

M M Murugappan
Chairman

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

TO THE BOARD OF DIRECTORS OF SHANTHI GEARS LIMITED

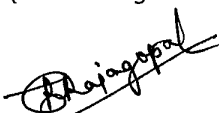
1. We have reviewed the accompanying Statement of Unaudited Financial Results of **SHANTHI GEARS LIMITED** ("the Company") for the quarter and six months ended September 30, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations 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)


C.R. Rajagopal

Partner
Membership No. 023418

Place: Coimbatore
Date: November 02, 2017

**Quarterly Financial Results of Shanthi Gears Ltd****Quarterly Sales up by 18 %**

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 30th September, 2017. The turnover for the quarter was ₹54.31 Crores against ₹50.85 Crores in the same quarter last year. The turnover for the current quarter is exclusive of GST, however the turnover for the corresponding quarter in the previous year was inclusive of excise duty. On a like to like comparison the turnover grew by 18%. The Profit before tax for the quarter was ₹9.63 Crores against ₹9.19 Crores in the same quarter last year, up by 5% and Profit before tax for half year was ₹16.51 Crores against ₹15.82 Crores, up by 4%. The Company continued with the focus on improving operational efficiencies and specific cost reduction initiatives. This helped in mitigating rising costs and improve profitability.

During the quarter, the Company built its order book by ₹58 Crores (Previous Year ₹45 Crores).

The Company's current order book is at ₹98 Crores. 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.