

SGL- 08/Sec/2026-27

08th May, 2026

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor
Plot No.C-1, Block G
Bandra-Kurla Complex
Bandra (E),
Mumbai - 400 051

BSE Limited

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**

Dear Ma'am / Sir,

Sub: Financial Results

Further to our intimation dated 05th May, 2026 we hereby submit the financial results for the period ended 31-Mar-2026 in Machine Readable Form.

This is for your kind information and records.

Thanking you,

Yours faithfully,

For Shanthi Gears Limited

**Walter Vasanth P J
Company Secretary & Compliance Officer**

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 Year ended 31 March 2026

(₹ Crores unless specified)

| Sl No | Particulars | Quarter ended | | | Year ended | |
|-------|---|----------------|---------------|----------------|---------------|---------------|
| | | 31.03.2026 | 31.12.2025 | 31.03.2025 | 31.03.2026 | 31.03.2025 |
| | | Audited | Unaudited | Audited | Audited | Audited |
| | | (Refer Note 3) | | (Refer Note 3) | | |
| 1 | Revenue from Operations | 135.10 | 116.82 | 153.21 | 518.72 | 604.62 |
| | Other Income | 5.85 | 4.07 | 4.01 | 19.63 | 14.66 |
| | Total Income | 140.95 | 120.89 | 157.22 | 538.35 | 619.28 |
| 2 | Expenses | | | | | |
| | Cost of materials consumed | 71.82 | 59.30 | 67.67 | 255.12 | 281.97 |
| | Changes in inventories of finished goods and work-in-progress | (3.24) | (7.13) | 4.05 | (10.46) | 2.33 |
| | Employee benefits expense | 18.42 | 20.36 | 19.71 | 78.68 | 81.69 |
| | Depreciation and amortisation expense | 4.71 | 3.91 | 3.57 | 16.06 | 13.30 |
| | Other expenses | 24.21 | 21.30 | 30.81 | 91.47 | 109.90 |
| | Total Expenses | 115.92 | 97.74 | 125.81 | 430.87 | 489.19 |
| 3 | Profit before tax and Exceptional Items (1-2) | 25.03 | 23.15 | 31.41 | 107.48 | 130.09 |
| 4 | Exceptional Items | | | | | |
| | Statutory Impact of new Labour Code (Refer Note 5) | 3.22 | 1.56 | - | 4.78 | - |
| 5 | Profit before tax (3-4) | 21.81 | 21.59 | 31.41 | 102.70 | 130.09 |
| 6 | Tax Expense | | | | | |
| | Current tax | 5.90 | 5.68 | 8.61 | 27.38 | 33.95 |
| | Deferred tax (benefit) / charge | (0.36) | (0.28) | 0.34 | (1.34) | 0.11 |
| | Total Tax Expense | 5.54 | 5.40 | 8.95 | 26.04 | 34.06 |
| 7 | Profit after tax (5-6) | 16.27 | 16.19 | 22.46 | 76.66 | 96.03 |
| 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) | (1.48) | 0.15 | 0.68 | (1.65) | 0.01 |
| | Income tax relating to item that will not be reclassified to statement of profit and loss in subsequent periods | 0.38 | (0.04) | (0.17) | 0.42 | (0.00) |
| | Other comprehensive income/(loss) for the period / year | (1.10) | 0.11 | 0.51 | (1.23) | 0.01 |
| 9 | Total comprehensive income (7+8) | 15.17 | 16.30 | 22.97 | 75.43 | 96.04 |
| 10 | Paid up equity share capital (Face value of ₹1 each) | 7.67 | 7.67 | 7.67 | 7.67 | 7.67 |
| 11 | Reserves and surplus (i.e. Other equity) | | | | 432.39 | 395.32 |
| 12 | Earnings Per Share (EPS) of Face value of ₹1 each (Not annualised for the quarters) | | | | | |
| | Basic EPS ₹ | 2.12 | 2.11 | 2.93 | 9.99 | 12.52 |
| | Diluted EPS ₹ | 2.12 | 2.11 | 2.93 | 9.99 | 12.52 |

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 5 May 2026 and has been subjected to audit by the Statutory Auditors of the Company. These audited financial results have been prepared in accordance with the recognition and measurement principles provided in the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act"), other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India (SEBI) under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

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. The figures of the last quarter of the financial years ended 31 March 2026 and 31 March 2025 are balancing figures between the audited figures in respect of the full financial years and the published year-to-date figures up to the third quarter of the respective financial years prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards which were subjected to a limited review.

4. An Interim Dividend of ₹ 3/- (Rupees Three only) per equity of ₹ 1/- each was declared by the Company at the meeting of the Board of Directors held on 22 January 2026 for the financial year 2025-26 and the same has been paid prior to 31 March 2026. Further, the Board of Directors have recommended a final dividend of ₹ 2/- (Rupees Two only) per equity of ₹ 1/- each for the financial year 2025-26 at their meeting held on 5 May 2026.

5. On 21 November 2025, the Government of India has 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 changes 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 provisions for Defined benefit obligation amounting to ₹ 3.22 Cr and ₹ 4.78 Cr in the audited financial results for the quarter and year ended 31 March 2026 respectively arises primarily due to 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 the other aspects of the Labour code and would provide appropriate accounting effect on the basis of such developments as needed.

6. The preparation of Consolidated Financial Results for the quarter and year ended 31 March 2026 are not applicable since the Company does not have any Subsidiary / Associate / Joint Venture.

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

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



For and on behalf of the Board of Directors

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

Place : Coimbatore
Date : 5 May 2026

Shanthi Gears Limited

CIN: L29130TZ1972PLC000649

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Audited Statement of Assets and Liabilities

(₹ Crores)

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|--|------------------------|------------------------|
| I. ASSETS | | |
| 1 Non-current assets | | |
| (a) Property, plant and equipment | 97.99 | 71.28 |
| (b) Capital work-in-progress | 25.79 | 4.90 |
| (c) Investment Property | 7.32 | 7.43 |
| (d) Intangible assets | 0.52 | 0.35 |
| (e) Financial assets | | |
| (i) Investments | 10.18 | 18.21 |
| (ii) Other financial assets | 5.53 | 7.26 |
| (f) Deferred tax assets (net) | 7.02 | 5.26 |
| (g) Income Tax Assets (net) | 1.28 | - |
| (h) Other non-current assets | 0.32 | 7.72 |
| Total non-current assets | 155.95 | 122.41 |
| 2 Current assets | | |
| (a) Inventories | 112.84 | 80.40 |
| (b) Financial assets | | |
| (i) Investments | 65.31 | 70.28 |
| (ii) Trade receivables | 115.62 | 137.20 |
| (iii) Cash and cash equivalents | 1.33 | 15.00 |
| (iv) Bank balances other than (iii) above | 73.88 | 49.76 |
| (v) Loans | 0.14 | 0.19 |
| (vi) Other financial assets | 19.42 | 23.30 |
| (c) Other current assets | 11.10 | 5.78 |
| Total current assets | 399.64 | 381.91 |
| Total Assets | 555.59 | 504.32 |
| II. EQUITY AND LIABILITIES | | |
| 1 Equity | | |
| (a) Equity share capital | 7.67 | 7.67 |
| (b) Other Equity | 432.39 | 395.32 |
| Total equity | 440.06 | 402.99 |
| 2 Non-current liabilities | | |
| (a) Other non current liabilities | 0.48 | 0.48 |
| (b) Provisions | 7.43 | 0.39 |
| Total non-current liabilities | 7.91 | 0.87 |
| 3 Current Liabilities | | |
| (a) Financial liabilities | | |
| (i) Trade payables | | |
| (A) Total outstanding dues of micro enterprises and small enterprises | 28.66 | 13.69 |
| (B) Total outstanding dues of creditors other than micro enterprises and small enterprises | 43.79 | 49.01 |
| (ii) Other financial liabilities | 11.59 | 9.11 |
| (b) Other current liabilities | 21.55 | 25.48 |
| (c) Provisions | 2.03 | 2.63 |
| (d) Current Tax Liabilities (Net) | - | 0.54 |
| Total Current liabilities | 107.62 | 100.46 |
| Total Equity and Liabilities | 555.59 | 504.32 |

Place : Coimbatore
Date : 5 May 2026



For and on behalf of the Board of Directors

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



Shanthi Gears Limited

CIN: L29130TZ1972PLC000649

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Audited Statement of Cash Flows

(₹ Crores)

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|--|-----------------------------|-----------------------------|
| A Cash Flow from Operating Activities: | | |
| Profit before tax | 102.70 | 130.09 |
| Adjustments for: | | |
| Depreciation on Property, Plant and Equipment | 15.51 | 12.86 |
| Depreciation on Investment Property | 0.11 | 0.11 |
| Amortisation of Intangible assets | 0.44 | 0.33 |
| (Gain) / Loss on disposal of Property Plant and Equipment | (0.13) | (0.07) |
| Net (gain) / loss arising of financial assets measured at fair value through profit or loss | (4.40) | (3.73) |
| Unrealised (gain) / loss on foreign currency transactions and translations | (0.92) | (0.02) |
| Interest Income from Fixed Deposits and Tax Free Bonds | (7.81) | (7.14) |
| Provision / Liability no longer required written back | (1.96) | (1.38) |
| Provision / (Reversal of Provision) for Credit impaired Trade Receivable | (0.50) | 1.55 |
| Provision for Credit impaired Other Receivables | - | 0.34 |
| Provision for Inventories | 3.08 | (0.81) |
| Operating Profit before Working Capital / Other Changes | 106.12 | 132.13 |
| Adjustments for: | | |
| (Increase)/ Decrease in Inventories | (35.52) | 5.64 |
| (Increase) / Decrease in Trade Receivables | 22.99 | (20.77) |
| (Increase) / Decrease in Other Financial Assets | (0.67) | 2.31 |
| (Increase) / Decrease in Loans | 0.05 | (0.09) |
| (Increase) / Decrease in Other Current Assets | (5.32) | (0.56) |
| (Increase) / Decrease in Other Non-Current Assets | - | 0.01 |
| Increase / (Decrease) in Trade Payables | 9.75 | 7.45 |
| Increase / (Decrease) in Other Financial Liabilities | 0.61 | 0.89 |
| Increase / (Decrease) in Other Current Liabilities | (3.50) | (3.11) |
| Increase / (Decrease) in Other Non-Current Liabilities | - | 0.01 |
| Increase / (Decrease) in Provisions | 4.79 | 0.02 |
| Cash Generated From Operations | 99.30 | 123.93 |
| Income Taxes paid (net of refunds) | (29.20) | (33.06) |
| Net Cash Flow from operating activities (A) | 70.10 | 90.87 |
| B Cash Flow from Investing Activities: | | |
| Capital expenditure (including Capital Work In Progress, Capital Advances and Capital Creditors) | (52.98) | (24.35) |
| Proceeds from Disposal of Property, Plant and Equipment | 0.31 | 0.25 |
| (Purchase)/Sale of Current Investments, Net | 15.40 | (39.44) |
| Redemption of Non-Current Investments | 2.00 | - |
| Movement in Unpaid Dividend Account | 0.11 | (0.08) |
| Proceeds/(Investments) in deposits, Net | (18.28) | 19.86 |
| Interest income received | 8.14 | 5.68 |
| Net Cash Used in Investing Activities (B) | (45.30) | (38.08) |
| C Cash Flow from Financing Activities: | | |
| Dividends paid on equity shares | (38.47) | (38.44) |
| Net Cash Used in Financing Activities (C) | (38.47) | (38.44) |
| Net Increase/(Decrease) in Cash and Cash Equivalents [A+B+C] | (13.67) | 14.35 |
| Cash and Cash Equivalents at the Beginning of the Year | 15.00 | 0.65 |
| Cash and Cash Equivalents as at End of the Year | 1.33 | 15.00 |

Place : Coimbatore
Date : 5 May 2026



For and on behalf of the Board of Directors

(Signature)

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



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 REPORT

To the Board of Directors of Shanthi Gears Limited

Report on the Audit of the Annual Financial Results

Opinion

We have audited the accompanying annual financial results of Shanthi Gears Limited (hereinafter referred to as 'the Company') for the year ended March 31, 2026, ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us the aforesaid Statement: (i) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

(ii) gives a true and fair view, in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the net profit, other comprehensive loss and other financial information of the Company for the year ended March 31, 2026.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the financial results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Management's and Board of Directors' Responsibilities for the Financial Results

This Statement has been prepared on the basis of the annual financial statements. The Company's Management and Board of Directors are responsible for the preparation and presentation of this Statement that gives a true and fair view of the net profit, other comprehensive loss and other financial information in accordance with the recognition and measurement principles laid down in the applicable Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India and is in compliance with the Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.



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MSKA & Associates LLP

(Formerly known as M S K A & Associates)

Chartered Accountants

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Chennai 600032, INDIA

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on complete set of financial statements on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



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Other Matter:

The Statement includes the results for the quarter ended March 31, 2026 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2026 and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

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

Geetha

Geetha Jeyakumar
Partner

Membership No.: 029409

UDIN: 260294091RGLUW5829



Place: Coimbatore
Date: May 05, 2026