

February 6, 2018

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 7 pages (including covering letter)

Dear Sir,

Sub: Outcome of Board Meeting

Further to our letter dated 23rd January, 2018, we write to inform that at the meeting held today (6th February, 2018), the Board of Directors have approved the following:

1) Unaudited Financial Results of the Company for the third quarter and nine months ended 31st December, 2017

Unaudited Financial Results of the Company for the third quarter ended 31st December, 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 third quarter ended 31st December, 2017 is further enclosed.

2) Declaration and Payment of Interim Dividend & Record Date

The Board of Directors have declared an interim dividend at the rate of 100% being Re. 1/- (Rupee One Only) per equity share of Re. 1/- each for the financial year ended 31st March, 2018. Record date for the purpose of payment of interim dividend shall be 16th February, 2018.

The interim dividend shall be paid to those shareholders whose names appear in the register of members as on Record date in respect of shares held in physical form and in case of shares held in dematerialized form, as per the details to be furnished by the depositories as on the Record date. The interim dividend will be paid within 10 days from the record date (ie., on or before 26th February, 2018).

3) Appointment of Mr. L Ramkumar as Chairman of the Board

The Board of Directors has elected Mr. L Ramkumar as Chairman of the Board with immediate effect.

4) Appointment of Dr. S K SUNDARARAMAN as an additional Director

The Board of Directors have approved the appointment of Dr. S K SUNDARARAMAN (DIN: 00002691) as an additional Director of the Company with immediate effect.

Information required under Regulation 30 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed herewith.

For your information, the Board Meeting commenced at 11.30 A.M. and concluded at 3.15 P.M.

Please take the above on your record.

Thanking you,

Yours faithfully,

For **SHANTHI GEARS LIMITED**



C SUBRAMANIAM
COMPANY SECRETARY

Encl: As above

Shanthi 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 Unaudited Financial Results for the Quarter and Nine months Ended 31 December 2017

Financial Information

₹ Crores

Sl No	Particulars	Quarter ended			Nine Months ended		Year ended
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from Operations (Refer Note-4)	53.95	54.31	51.15	164.75	148.42	203.82
	Other Income	2.70	2.57	2.42	7.93	7.98	10.73
	Total Income	56.65	56.88	53.57	172.68	156.40	214.55
2	Expenses						
	(a) Cost of materials consumed	18.47	19.56	21.41	61.19	55.77	77.46
	(b) Changes in Inventories of finished goods, work-in-progress	3.76	2.33	(4.78)	3.59	(6.64)	(8.40)
	(c) Excise duty	-	-	5.05	5.43	14.67	19.87
	(d) Employee benefits expense	10.35	10.33	10.03	30.87	28.59	38.86
	(e) Depreciation and amortisation expense	3.80	4.13	4.59	12.10	13.37	17.83
	(f) Other expenses	10.86	10.90	10.69	33.58	28.24	40.43
	Total Expenses	47.24	47.25	46.99	146.76	134.00	186.05
3	Profit before tax (1-2)	9.41	9.63	6.58	25.92	22.40	28.50
4	Tax Expense						
	Current tax	3.00	3.33	2.55	8.42	7.53	8.10
	Deferred tax	(0.33)	(0.86)	(0.70)	(1.46)	(1.48)	(2.11)
	Total tax expense	2.67	2.47	1.85	6.96	6.05	5.99
5	Profit for the periods / year after tax (3-4)	6.74	7.16	4.73	18.96	16.35	22.51
6	Other Comprehensive Income (net of tax)	-	-	-	-	-	(0.08)
7	Total Comprehensive Income (5+6)	6.74	7.16	4.73	18.96	16.35	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 (EPS) of Face value of ₹1 each (Not annualised for the quarters / nine months)						
	Basic and Diluted EPS	0.82	0.88	0.58	2.32	2.00	2.75

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 06 February 2018.
- The above results have been subjected to Limited Review by Statutory Auditors.
- 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 has declared interim dividend of ₹ 1 per Equity share of ₹1 each for the financial year 2017-18.
- Consequent to the introduction of Goods and Service Tax (GST) with effect from 1st July 2017, Excise Duty has been subsumed into GST. In accordance with Ind AS, GST is not part of revenue unlike Excise Duty. Accordingly, the figures for the period upto 30th Jun 2017 are not strictly relatable to those there after. Hence the following information is provided for better understanding.

Particulars	Quarter ended			Nine Months ended		Year ended
	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from Operations	53.95	54.31	51.15	164.75	148.42	203.82
Less: Excise Duty	-	-	4.95	5.37	14.55	19.62
Net Revenue from Operations	53.95	54.31	46.20	159.38	133.87	184.20

- The above financial results are also available on our website www.shanthigears.com
- Previous period figures have been regrouped / reclassified, wherever necessary.

For Shanthi Gears Limited


L Ramkumar

Chairman

Place : Coimbatore

Date : 06 February 2018



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 nine months ended December 31, 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)

A handwritten signature in black ink, appearing to read "C.R. Rajagopal".

C.R. Rajagopal
Partner

Membership No. 023418



Quarterly Financial Results of Shanthi Gears Ltd

PBT up by 43 %

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 and nine months ended 31st December, 2017.

The turnover for the quarter was 53.95 Crores against 51.15 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 17%. The Profit before tax for the quarter was 9.41 Crores against 6.58 Crores in the same quarter last year, up by 43% and Profit before tax for nine months was 25.92 Crores against 22.40 Crores, up by 16%.

During the quarter, the Company built its order book by 59 Crores which is 13% higher than Q3 of 2016-17. The Company's order book as on 31st December, 2017 stands at 125 Crores compared to 116 Crores as of same date last 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.

The Board declared an interim dividend of Re. 1/- per share of Face Value Re. 1/- per share for the Year 2017-18.

February 6, 2018

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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**Kind Attn: Listing Department**

Sub: Record Date intimation

Security Code	Types of Security & Paid-up Value	Record Date	Purpose
NSE- SHANTIGEAR BSE- 522034	Equity Shares of Re.1/- each	16 th February, 2018	Record date for payment of interim dividend of Re. 1/- per equity share for the year ended 31 st March, 2018

For **SHANTHI GEARS LIMITED****C. Subramaniam**
Company Secretary

Disclosure pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Disclosure Requirement	Details
a) Reason for the change viz, appointment, resignation, removal, death or otherwise.	Dr. S K SUNDARARAMAN (also referred as "the Appointee") has been appointed as an additional Director of the Company.
b) Date of appointment/cessation (as applicable) & term of appointment.	6 th February, 2018 up to the ensuing Annual General Meeting
c) Brief profile (in case of appointment).	Dr. S K Sundararaman, Managing Director of Shiva Texyarn Ltd is associated with the Textile Industry for about 18 years, and holding MBA Degree from Cambridge University, United Kingdom, has wide experience in the field of Textile Technology. He is well known in the Textiles Industry for his innovative approach and Development of new technical textile products.
d) Disclosure of relationships between Directors (in case of appointment of a Director)	Not Applicable. The Appointee is not related to any of the Directors or other Key Managerial Personnel of the Company.