SHANTHI GEARS LIMITED

CIN: L29130TZ1972PLC000649
Registered Office: 304-A, Trichy Road, Singanallur, Coimbatore, Tamil Nadu - 641005
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Compliance Officer: Mr. C Subramaniam, Company Secretary and Compliance Officer

POST BUYBACK PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS/BENEFICIAL OWNERS OF EQUITY SHARES OF SHANTHI GEARS LIMITED

This public announcement (the "**Post Buyback Public Announcement**") is being made in compliance with Regulation 24(vi) of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (the "**Buyback Regulations**"). This Post Buyback Public Announcement should be read in conjunction with the Public Announcement dated January 30, 2019 and published on January 31, 2019 (the "**Public Announcement**"), and the Letter of Offer dated February 27, 2019 read in conjunction with Corrigendum dated March 11, 2019 to the Letter of Offer (the "**Letter of Offer**"). The terms used but not defined in this Post Buyback Public Announcement shall have the same meanings as assigned in the Public Announcement and the Letter of Offer.

1. THE BUYBACK

1.1. Shanthi Gears Limited (the "**Company**") had announced the Buyback of up to 50,00,000 fully paid-up equity shares of face value of ₹ 1/- each ("**Equity Shares**") from all the existing shareholders/beneficial owners holding Equity Shares as on the Record Date (i.e. February 8, 2019), as per the records made available to the Company by the Depositories as on the Record Date, on a proportionate basis, through the "Tender Offer" route at a price of ₹ 140 per Equity Share payable in cash, for an aggregate amount not exceeding ₹ 70,00,00,000 (Rupees Seventy Crores) excluding transaction costs, viz. brokerage, applicable taxes such as securities transaction tax, goods and service tax, stamp duty, advisors' fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses ("**Buyback Offer Size**") ("**Buyback**"). The Buyback Offer Size is 6.12% of the aggregate of fully paid-up equity share capital of the Company for the financial year ended March 31, 2018 and 22.07% of the aggregate of fully paid-up equity share capital and free reserves as per the audited accounts of the Company for the financial year ended March 31, 2018 and is less than the statutory limit of 25% (for a Buyback under the shareholders approval route as provided for under the first proviso to Section 68(2)(b) of Companies Act, 2013) of the fully paid-up equity share capital and free reserves as per the last audited financial accounts for the financial year ended March 31, 2018.

1.2. The Company has adopted the Tender Offer route for the purpose of the Buyback. The Buyback was implemented using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, as amended by "Streamlining the Process for Acquisition of Shares pursuant to Tender-Offers made for Takeovers, Buy Back and Delisting of Securities" notified by SEBI vide circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 ("**SEBI Circular**").

1.3. The Tendering Period for the Buyback Offer opened at 9:15 a.m. on Wednesday, March 13, 2019 and closed at 3:30 p.m. on Wednesday, March 27, 2019.

2. DETAILS OF BUYBACK:

2.1. 50,00,000 Equity Shares were bought back under the Buyback, at a price of ₹ 140 per Equity Share.

2.2. The total amount utilized in the Buyback is ₹ 70,00,00,000 (Rupees Seventy Crores) excluding transaction costs, viz. brokerage, applicable taxes such as securities transaction tax, goods and service tax, stamp duty, advisors' fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses.

2.3. The Registrar to the Buyback i.e., S.K.D.C. Consultants Limited ("**Registrar**"), considered 2,189 valid bids for 1,41,54,729 Equity Shares in response to the Buyback, resulting in the tender of approximately 2.83 times the maximum number of Equity Shares proposed to be bought back. The details of valid bids considered by the Registrar are as follows:

Sr. No.	Category of Shareholders	No. of Equity Shares reserved in Buyback	No. of Valid Bids	Total Valid Equity Shares Tendered	% Response
1.	Reserved category for Small Shareholders	7,50,000	1,871	6,61,056	88.14
2.	General category of other Shareholders	42,50,000	318	1,34,93,673	317.50
	Total	**50,00,000**	**2,189**	**1,41,54,729**	**283.09**

2.4. All valid applications have been considered for the purpose of Acceptance in accordance with the Buyback Regulations and the Letter of Offer. The communication of acceptance/rejection has been dispatched by the Registrar to the Buyback to respective Shareholders on April 5, 2019.

2.5. The settlement of all valid bids was completed by the Indian Clearing Corporation Limited on April 5, 2019. The funds have been directly paid out to Eligible Shareholders by the Clearing Corporations whose shares have been accepted under the Buyback. If bank account details of any Eligible Shareholders holding Equity Shares in dematerialized form were not available or if the funds transfer instructions were rejected by the Reserve Bank of India of any or relevant bank, due to any reason, then the amounts payable to the Eligible Shareholders will be transferred to the concerned selling members for onward transfer to such Eligible Shareholders holding Equity Shares in dematerialized form.

2.6. Demat Equity Shares accepted under the Buyback have been transferred to the Company's demat escrow account on April 5, 2019. The unaccepted demat Equity Shares have been returned to respective Shareholder Brokers/custodians by the Indian Clearing Corporation Limited on April 5, 2019. The unaccepted physical share certificates have been dispatched to the registered address of the respective Eligible Shareholders on April 5, 2019.

2.7. The extinguishment of 50,00,000 Equity Shares accepted under the Buyback, comprising of 49,98,232 Equity Shares in dematerialized form and 1,768 Equity Shares in physical form is currently under process and shall be completed on or before April 12, 2019.

2.8. The Company, and its respective directors, accept full responsibility for the information contained in this Post Buyback Public Announcement and also accept responsibility for the obligations of the Company laid down under the Buyback Regulations.

3. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN:

3.1. The capital structure of the Company, pre and post the Buyback is as under:

(Equity Shares have a face value of ₹ 1/- each)

Sr. No.	Particulars	Pre-Buyback*		Post Buyback#	
		No. of Equity Shares	Amount (₹ Crores)	No. of Equity Shares	Amount (₹ Crores)
1.	Authorized Equity Capital	10,00,00,000	10.00	10,00,00,000	10.00
2.	Issued, Subscribed and Paid-up Equity Share Capital	8,17,15,853	8.17	7,67,15,853	7.67

**As on the record date, being February 8, 2019*

 # Subject to extinguishment of 50,00,000 *Equity Shares*

3.2. Details of the Shareholders/beneficial owners from whom Equity Shares exceeding 1% of the total Equity Shares bought back have been accepted under the Buyback are as mentioned below:

Sr. No	Name of the Shareholder	No. of Equity Shares accepted under Buyback	Equity Shares accepted as a % of total Equity Shares bought back(%)
1	Tube Investments of India Limited	32,38,938	64.78
2	Sundaram Alternative Opportunities Fund Nano Cap Series I	2,26,126	4.52
3	Durgesh S Shah	1,25,886	2.52
4	Dhanesh S Shah	1,25,886	2.52
5	Nimesh Sumatilal	1,25,886	2.52
6	Sundaram Alternative Opportunities Fund Nano Cap Series II	74,413	1.49
7	Dixit Gunvantrai Shah	63,437	1.27

3.3. The shareholding pattern of the Company Pre-Buyback and Post-Buyback, is as under:

Particulars	Number of Equity Shares*	% of existing share capital*	No. of Equity Shares post Buyback#	% of share capital post Buyback#
Promoters	5,73,02,913	70.12	5,40,63,189	70.47
Foreign Investors (OCBs/FIIs/NRIs/Non-residents/ Non-domestic companies/ADRs)	29,67,995	3.63	2,26,52,664	29.53
Indian Financial Institutions/Banks/Mutual Funds/ Govt. Companies	42,51,602	5.20		
Public including other Bodies Corporate	1,71,93,343	21.04		
Total	**8,17,15,853**	**100**	**7,67,15,853**	**100**

**As on the record date, being February 8, 2019*

 # Subject to extinguishment of 50,00,000 *Equity Shares*

4. MANAGERS TO THE BUYBACK OFFER

AXIS CAPITAL LIMITED
1st Floor, Axis House, C-2 Wadia International Centre,
P.B. Marg, Worli, Mumbai - 400025
Phone: +91 22 4325 2183; **Tel:** +91 22 4325 3000
Email: sgl.buyback@axiscap.in
Contact Person: Ms. Bhumika Gangar
SEBI Registration: INM000012029; **Validity Period:** Perpetual
CIN: U51900MH2005PLC157853

5. DIRECTORS RESPONSIBILITY

As per Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors of the Company accepts full responsibility for the information contained in this Post Buyback Public Announcement or any other information advertisement, circular, brochure, publicity material which may be issued, and confirms that such document contains true, factual and material information and does not contain any misleading information.

For and on behalf of the Board of Directors of

Shanthi Gears Limited

Sd/-	**Sd/-**	**Sd/-**
Mr. S K Sundararaman	Ms. Soundara Kumar	Mr. C Subramaniam
Director	Director	Company Secretary
DIN: 00002691	DIN: 01974515	Membership No. FCS6971

Date : April 5, 2019
Place : Coimbatore

PRESSMAN

Size: 16(w) x 47(h)