

**SGL-38/Sec/2024-25**

**22<sup>nd</sup> October, 2024**

**National Stock Exchange of India Limited**

Exchange Plaza, 5<sup>th</sup> Floor

Plot No.C-1, Block G

Bandra-Kurla Complex

Bandra (E),

Mumbai - 400 051

**Bombay Stock Exchange Limited**

1<sup>st</sup> Floor

New Trading Ring, Rotunda Building

P J Towers, Dalal Street

Fort,

Mumbai - 400 001

**Stock Code: SHANTIGEAR**

**Through NEAPS**

Dear Sir / Ma'am,

**Stock Code: 522034**

**Through BSE Listing Centre**

**Sub: Outcome of Board Meeting held on 22<sup>nd</sup> October, 2024**

Further to our letter dated 14<sup>th</sup> October 2024, intimation of the Board Meeting to consider and approve the Unaudited Standalone Financial Results of the Company for the quarter and half year ended 30<sup>th</sup> September, 2024.

Pursuant to Regulations 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), we wish to inform you that the Board of Directors at their Meeting held today has inter alia, approved the Unaudited Standalone Financial Results of the Company for the quarter and half year ended 30<sup>th</sup> September, 2024. In this regard, a copy of the said Financial Results together with the Limited Review Report of M/s. MSKA & Associates, Chartered Accountant & Statutory Auditor of the Company is enclosed herewith.

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 regarding to the Unaudited Financial Results for the quarter and half year ended 30<sup>th</sup> September, 2024 is further enclosed.

The Meeting of the Board of Directors commenced at 12.15 p.m. and concluded at 02.15 p.m.

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

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**Statement of Unaudited Financial Results for the Quarter and Six months ended 30 September 2024**

₹ Crores

SI No	Particulars	Quarter ended			Six months ended		Year ended
		30.09.2024	30.06.2024	30.09.2023	30.09.2024	30.09.2023	31.03.2024
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from operations	155.08	138.82	135.42	293.90	256.87	536.05
	Other income	3.37	3.39	3.94	6.76	7.93	21.06
	<b>Total income</b>	<b>158.45</b>	<b>142.21</b>	<b>139.36</b>	<b>300.66</b>	<b>264.80</b>	<b>557.11</b>
2	<b>Expenses</b>						
	(a) Cost of materials consumed	75.12	78.13	66.99	153.25	121.48	262.26
	(b) Changes in inventories of finished goods and work-in-progress	(1.38)	(13.77)	(2.53)	(15.15)	0.04	(5.63)
	(c) Employee benefits expense	21.28	19.60	18.86	40.88	41.52	76.83
	(d) Depreciation and amortisation expense	3.23	3.09	3.01	6.32	5.98	13.21
	(e) Other expenses	25.90	26.21	23.37	52.11	42.00	100.80
	<b>Total expenses</b>	<b>124.15</b>	<b>113.26</b>	<b>109.70</b>	<b>237.41</b>	<b>211.02</b>	<b>447.47</b>
3	<b>Profit before tax (1-2)</b>	<b>34.30</b>	<b>28.95</b>	<b>29.66</b>	<b>63.25</b>	<b>53.78</b>	<b>109.64</b>
4	<b>Tax expense</b>						
	Current tax	9.07	7.54	7.86	16.61	14.47	28.04
	Deferred tax charge / (benefit)	(0.40)	(0.25)	0.78	(0.65)	0.17	(0.65)
	<b>Total tax expense</b>	<b>8.67</b>	<b>7.29</b>	<b>8.64</b>	<b>15.96</b>	<b>14.64</b>	<b>27.39</b>
5	<b>Profit after tax (3-4)</b>	<b>25.63</b>	<b>21.66</b>	<b>21.02</b>	<b>47.29</b>	<b>39.14</b>	<b>82.25</b>
6	<b>Other comprehensive income (net of tax)</b>						
	Items that will not be reclassified to statement of profit and loss in subsequent periods:						
	Re-measurement gain/(loss) on defined benefit/obligations (Net)	(0.33)	(0.12)	1.16	(0.45)	0.83	(1.20)
	Income tax relating to item that will not be reclassified to statement of profit and loss in subsequent periods	0.08	0.03	(0.29)	0.11	(0.21)	0.30
	Other comprehensive gain/(loss) for the period / year	(0.25)	(0.09)	0.87	(0.34)	0.62	(0.90)
7	<b>Total comprehensive income (5+6)</b>	<b>25.38</b>	<b>21.57</b>	<b>21.89</b>	<b>46.95</b>	<b>39.76</b>	<b>81.35</b>
8	Paid up equity share capital (Face value of ₹1 each)	7.67	7.67	7.67	7.67	7.67	7.67
9	Reserves and surplus (i.e. Other equity)						337.64
10	Earnings Per Share (EPS) of Face value of ₹1 each (Not annualised for the quarters)						
	Basic EPS ₹	3.34	2.82	2.74	6.16	5.10	10.72
	Diluted EPS ₹	3.34	2.82	2.74	6.16	5.10	10.72

**Notes**

1.The unaudited financial results have been prepared in accordance with the recognition and measurement principles provided in Indian Accounting Standards (Ind AS 34) on 'Interim Financial Reporting', the provisions of the Companies Act, 2013 ("the Act"), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI) under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. The above Financial Results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on October 22, 2024. The statement of financial results for the quarter ended September 30, 2024 has been reviewed by the Statutory Auditors of the company.

2. The Company's main business is manufacture of Gears , Gear Boxes and Spares. There are no separate reportable segments as per Ind AS 108 - Operating Segments

3.The date on which the Code of Social Security, 2020 ("The Code") relating to employee benefits during employment and post-employment benefits will come into effect is yet to be notified and the related rules are yet to be finalised. The Company will evaluate the code and its rules, assess the impact, if any and account for the same once they become effective.

4. Previous periods' figures have been re-grouped / re-classified, where necessary to make it comparable with the current period.

5. The above financial results are also available on our website [www.shanthigears.com](http://www.shanthigears.com)

For Shanthi Gears Limited

*M Karunakaran*

Whole-time Director

DIN: 09004843

Place : Coimbatore  
Date : October 22, 2024



**SHANTHI GEARS LIMITED**  
Statement of Assets and Liabilities

₹ Crores

Particulars		As at 30.09.2024 (Unaudited)	As at 31.03.2024 (Audited)
<b>I.</b>	<b>Assets</b>		
1	<b>Non-current Assets</b>		
	(a) Property, plant and equipment	62.32	63.92
	(b) Capital work-in-progress	11.49	4.10
	(c) Investment Property	7.48	7.54
	(d) Intangible assets	0.69	0.69
	(e) Financial Assets		
	(i) Investments	20.21	20.21
	(ii) Other financial assets	5.47	4.43
	(iii) Bank deposits	1.25	3.00
	(f) Deferred Tax Assets (net)	6.12	5.38
	(g) Other non-current assets	9.83	6.04
	<b>Total non-current assets</b>	<b>124.86</b>	<b>115.31</b>
2	<b>Current Assets</b>		
	(a) Inventories	99.86	85.23
	(b) Financial Assets		
	(i) Investments	46.11	25.10
	(ii) Trade Receivables	129.01	117.96
	(iii) Cash and Cash Equivalents	12.14	0.65
	(iv) Bank Balances other than (iii) above	7.27	7.26
	(v) Other financial assets	68.71	86.23
	(c) Other current assets	6.55	5.06
	<b>Total current assets</b>	<b>369.65</b>	<b>327.49</b>
	<b>Total Assets</b>	<b>494.51</b>	<b>442.80</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	(a) Equity Share capital	7.67	7.67
	(b) Other Equity	369.25	337.64
	<b>Total Equity</b>	<b>376.92</b>	<b>345.31</b>
1	<b>Non-current Liabilities</b>		
	(a) Other non-current liabilities	1.59	0.49
	<b>Total Non-current Liabilities</b>	<b>1.59</b>	<b>0.49</b>
2	<b>Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Trade Payables		
	(A) Total outstanding dues of micro enterprises and small enterprises	14.33	9.62
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	66.71	50.30
	(ii) Other financial liabilities	2.90	3.64
	(b) Provisions	2.04	2.21
	(c) Current Tax Liabilities (Net)	2.08	0.47
	(d) Other Current Liabilities	27.94	30.76
	<b>Total current liabilities</b>	<b>116.00</b>	<b>97.00</b>
	<b>Total Liabilities</b>	<b>117.59</b>	<b>97.49</b>
	<b>Total Equity and Liabilities</b>	<b>494.51</b>	<b>442.80</b>

For and on behalf of the Board of Directors

Place : Coimbatore  
Date : October 22, 2024



  
**M Karunakaran**  
Whole-time Director  
DIN: 09004843



**SHANTHI GEARS LIMITED**
**Statement of Cash Flow for the six months ended 30 September 2024**

₹ Crores

Particulars	Six months ended 30-Sep-2024 (Unaudited)	Six months ended 30-Sep-2023 (Unaudited)
<b>A. Cash Flow from Operating Activities:</b>		
<b>Profit before tax</b>	<b>63.25</b>	<b>53.78</b>
Adjustments for:		
Depreciation on Property, Plant and Equipment	6.10	5.84
Depreciation of Investment Property	0.06	0.06
Amortisation of Intangible Assets	0.16	0.08
Gain on disposal of Property, Plant and Equipment	(0.08)	(0.48)
Net gain arising of financial assets measured at fair value through profit or loss	(1.32)	(1.73)
Unrealised Gain on Foreign Currency Translations	(0.18)	(0.20)
Interest Income from Fixed Deposits	(3.26)	(3.64)
Interest Income from Tax Free Bonds	(0.73)	(0.80)
Provision for Credit impaired Receivables	1.02	1.77
Provision for Inventories	(1.38)	1.38
<b>Operating Profit before Working Capital / Other Changes</b>	<b>63.64</b>	<b>56.06</b>
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(13.25)	(2.87)
Trade receivables	(11.89)	(26.40)
Other financial assets	(0.91)	(0.47)
Other current assets	(1.49)	(3.89)
Other non-current assets	0.51	1.25
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	21.12	20.56
Other financial liabilities	(0.74)	0.02
Other current liabilities	(2.82)	7.48
Other long-term liabilities	0.65	-
Provisions	(0.17)	(1.31)
<b>Cash generated from operations</b>	<b>54.65</b>	<b>50.43</b>
Income tax paid (Net of refunds)	(15.26)	(7.84)
<b>Net cash generated from Operating Activities (A)</b>	<b>39.39</b>	<b>42.59</b>
<b>B. Cash Flow from Investing Activities:</b>		
Capital expenditure (including Capital Work in Progress and Capital Advances)	(16.20)	(7.20)
Proceeds from disposal of Property, Plant and Equipment	0.19	0.48
Purchase of Current Investments (Net)	(19.69)	(19.43)
Redemption of / (Investments in) Fixed Deposits (Net)	20.22	(18.77)
Interest Received	2.90	3.92
<b>Net Cash Used in Investing Activities (B)</b>	<b>(12.58)</b>	<b>(41.00)</b>
<b>C. Cash Flow from Financing Activities:</b>		
Dividends paid on equity shares	(15.32)	(15.32)
<b>Net Cash Used in Financing Activities (C)</b>	<b>(15.32)</b>	<b>(15.32)</b>
<b>Net increase / (Decrease) in Cash and cash equivalents (A+B+C)</b>	<b>11.49</b>	<b>(13.73)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>0.65</b>	<b>15.09</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>12.14</b>	<b>1.36</b>

For and on behalf of the Board of Directors


**M Karunakaran**

Whole-time Director

DIN: 09004843

Place : Coimbatore

Date : October 22, 2024



**Independent Auditor's Review Report on unaudited financial results for the quarter and year to date of Shanthi Gears Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**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 September 30, 2024 and the year to-date results for the period from April 01, 2024 to September 30, 2024 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulations').
2. This Statement, which is the responsibility of the Company's Management and has been approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS 34') and other accounting principles generally accepted in India and is in compliance with the Regulations. 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 Engagement (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 persons 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 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 Ind AS 34 and other accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No.105047W

  
Geetha Jeyakumar  
Partner  
Membership No.: 029409  
UDIN: 24029409BKDEQW9689



Place: Coimbatore  
Date: October 22, 2024

## **Financial Results of Shanthi Gears Limited in Q2 2024-25**

### **Net Profit up by 22% and Revenue up by 15%**

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 and six months ended 30<sup>th</sup> September 2024.

#### **Highlights**

The Company continues to focus on 4 key priorities of Revenue, Profitability, Return on Invested Capital (ROIC) and Free Cash Flow (FCF).

- Revenue of ₹ 155.1 Crores in the quarter with a growth of 15% over Q2 of previous year.
- The Profit before tax for the quarter up by 16% at ₹ 34.3 Crores as against ₹ 29.7 Crores in Q2 of previous year.
- Achieved Return on average Invested Capital (ROIC) of 60% in Q2.
- The Company generated Free Cash Flow of ₹ 4.2 Crores during Q2.

Unexecuted order book as on 30<sup>th</sup> September 2024 stood at ₹ 317 Crores.