



May 3, 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**
Trough NEAPS**Stock Code: 522034**
Through BSE Listing Centre

Dear Sir,

Sub: Outcome of Board Meeting

Further to our letter dated 17th April, 2017, we write to inform that at the meeting held today (3rd May, 2017), the Board of Directors of the Company have approved the following:

1) Audited Financial Results for the financial year ended 31st March, 2017

The Board of Directors of the Company, at their meeting held today (3rd May, 2017), approved the audited financial results for the financial year ended 31st March, 2017.

Accordingly, pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") we enclose the following:

- i) The detailed format of the Audited Financial Results for the quarter and year ended 31st March, 2017. This is for your records and for 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.
- ii) Auditor's Report from the Statutory Auditors, M/s. Deloitte Haskins & Sells on the above financial results;
- iii) Declaration under Regulation 33(3)(d) of the SEBI Listing Regulations and Form A; and

A copy of the press release made with regard to the audited financial results for the quarter and year ended 31st March, 2017 is further enclosed.

**2) Recommendation of dividend**

The Board of Directors have recommended a dividend of Rs 0.75 (Paise Seventy Five only) per equity share of Re. 1/- each for the financial year ended 31st March, 2017. The Dividend, if approved by the members at the ensuing 44th Annual General Meeting, will be paid after 31st July, 2017.

3) Closure of Register of Members

Please note that the share transfer books of the Company will remain closed from Saturday, 15th July, 2017 to Wednesday, 26th July, 2017 (both days inclusive) for the purpose of determining the Members eligible to receive the dividend, if declared by the Shareholders at the ensuing 44th Annual General Meeting.

4) 44th Annual General Meeting

The 44th Annual General Meeting of Members of the Company will be held on **Wednesday, 26th July, 2017.**

For your information, the Board Meeting commenced at 11.30 A.M. and concluded at 2.45 P.M.

Please take the above on your record.

Thanking you,

Yours faithfully,

For **SHANTHI GEARS LIMITED**

C. Subramaniam
Company Secretary

Encl: As above

Statement of Audited Financial Results for the Quarter and Year Ended 31 March 2017

Financial Information

Sl No	Particulars	Quarter ended			Year ended	
		31.03.2017	31.12.2016	31.03.2016	31.03.2017	31.03.2016
		Audited (Refer Note 7)	(Unaudited)	Audited (Refer Note 7)	Audited	Audited
1	Revenue from Operations	55.40	51.25	45.86	203.82	182.11
	Other income	2.75	2.42	2.17	10.73	9.23
	Total income	58.15	53.67	48.03	214.55	191.34
2	Expenses					
	(a) Cost of materials consumed	21.69	21.41	16.02	77.46	62.53
	(b) Changes in Inventories of finished goods, work-in-progress	(1.76)	(4.78)	0.28	(8.40)	(2.08)
	(c) Excise duty	5.20	5.15	4.29	19.87	17.32
	(d) Employee benefits expense	10.27	10.03	7.67	38.86	35.76
	(e) Depreciation and amortisation expense	4.46	4.59	4.19	17.83	16.71
	(f) Other expenses	12.19	10.69	8.78	40.43	37.95
	Total Expenses	52.05	47.09	41.23	186.05	168.19
3	Profit before tax (1-2)	6.10	6.58	6.80	28.50	23.15
4	Tax Expense					
	Current tax	0.57	2.55	1.56	8.10	7.91
	Deferred tax	(0.63)	(0.70)	(0.36)	(2.11)	(2.49)
	Total tax expenses	(0.06)	1.85	1.20	5.99	5.42
5	Profit for the periods / year after tax (3-4)	6.16	4.73	5.60	22.51	17.73
6	Other Comprehensive Income (net of tax)	(0.08)	-	(0.09)	(0.08)	0.59
7	Total Comprehensive Income	6.08	4.73	5.51	22.43	18.32
8	Paid-up Equity Share Capital (Face Value of ₹1 each)	8.17	8.17	8.17	8.17	8.17
9	Reserves and Surplus (i.e Other Equity)				298.15	275.72
10	Earnings Per Share of Face value of ₹1 each (Not annualised for the quarters)					
	i) Basic and Diluted EPS	0.75	0.58	0.69	2.75	2.17

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 03 May 2017.
- The Board of Directors has declared dividend of ₹ 0.75 per Equity share of ₹1 each for the financial year 2016-17.
- The Company adopted Indian Accounting Standards ("Ind AS") from April 1, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- 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
- Consequent to transition from the previous Indian GAAP to Ind AS, the reconciliation of profit and equity is provided as below for the previous quarters and year presented, in accordance with the requirements of paragraph 32 of Ind AS 101 - First time Adoption of Ind AS.

Particulars	₹ Crores	
	Quarter ended	Year ended
	31.03.2016	31.03.2016
Net Profit under Previous GAAP	5.33	18.24
Actuarial gain recognised in Other Comprehensive Income	(0.22)	(0.90)
Effect of measuring investments at fair value through profit and loss	0.33	0.64
Effect of fair valuation of Financial Assets on account of expected credit loss	0.41	(0.05)
Tax and deferred tax impact on above adjustments	(0.25)	(0.20)
Net Profit for the period under Ind AS	5.60	17.73
Other comprehensive Income net of tax	(0.09)	0.59
Total Comprehensive Income under Ind AS	5.51	18.32

Equity reconciliation

Particulars	₹ Crores
	Year Ended 31.03.2016
Equity under Previous GAAP (IGAAP)	284.06
Effect of measuring investments at fair value through profit and loss	0.64
Effect of fair valuation of Financial Assets on account of expected credit loss	(0.43)
Tax and deferred tax impact on above adjustments	(0.38)
Equity under Ind AS	283.89

- The above financial results are also available on our website www.shanthigears.com
- The figures of the last quarter are balancing figures between the audited figures in respect of the full financial years and the published year-to-date figures upto the third quarter of the respective financial years.
- Previous period figures have been regrouped / reclassified, wherever necessary.



Shanthy Gears Limited
Statement of Assets and Liabilities

₹ Crores

Particulars		As at 31.03.2017 (Audited)	As at 31.03.2016 (Audited)
I.	Assets		
1	Non-current Assets		
	(a) Property, plant and equipment	57.91	65.59
	(b) Capital work-in-progress	0.77	0.36
	(c) Investment Property	7.20	7.27
	(d) Intangible assets	0.21	0.36
	(e) Financial Assets		
	(i) Investments	12.17	6.00
	(f) Deferred Tax Assets (net)	3.60	1.45
	(g) Other non-current assets	6.52	13.07
	Total non-current assets	88.38	94.10
2	Current Assets		
	(a) Inventories	75.17	66.71
	(b) Financial Assets		
	(i) Investments	57.60	49.64
	(ii) Trade Receivables	45.93	38.59
	(iii) Cash and Cash Equivalents	2.48	1.71
	(iv) Other financial assets	69.50	61.84
	(c) Current Tax Assets (Net)	1.27	0.24
	(d) Other current assets	7.22	4.96
	Total current assets	259.17	223.69
	TOTAL ASSETS	347.55	317.79
II.	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share capital	8.17	8.17
	(b) Other Equity	298.15	275.72
		306.32	283.89
	Liabilities		
1	Non-current Liabilities		
	(a) Financial Liabilities		
	(i) Other Long-Term Liabilities	0.06	0.05
	(b) Provisions	0.10	0.10
	Total non current liabilities	0.16	0.15
2	Current Liabilities		
	(a) Financial Liabilities		
	(i) Trade Payables	25.04	21.41
	(ii) Other financial liabilities	0.39	0.51
	(b) Other current liabilities	15.12	11.39
	(c) Provisions	0.52	0.44
	Total current liabilities	41.07	33.75
	Total liabilities	41.23	33.90
	TOTAL EQUITY AND LIABILITIES	347.55	317.79

For and on behalf of the Board of Directors

M M Murugappan

M M Murugappan
Chairman

Place : Coimbatore
Date : 03 May 2017



INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF SHANTHI GEARS LIMITED

1. We have audited the accompanying Statement of Financial Results of **SHANTHI GEARS LIMITED** ("the Company"), for the year ended March 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 compiled from the related Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such financial statements.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

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

3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) is presented in accordance with the requirements 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; and
 - (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and Total comprehensive income and other financial information of the Company for the year ended March 31, 2017.



4. The Statement includes the results for the Quarter ended March 31, 2017 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)



A handwritten signature in black ink that reads "C.R. Rajagopal".

C.R. Rajagopal
Partner
Membership No. 023418

Place: Coimbatore
Date: May 03, 2017



May 3, 2017

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Stock Code: SHANTIGEAR
Trough NEAPS

Stock Code: 522034
Through BSE Listing Centre

Dear Sir,

Sub: Declaration in respect of unmodified opinion on Audited Financial Statements for the Financial Year ended 31st March, 2017

In terms of SEBI Circular CIR/CFD/CMD/56/2016 dated May 27, 2016, we hereby declare and confirm that the Statutory Auditors of the Company, M/s. Deloitte Haskins & Sells, Chartered Accountants, have issued an unmodified audit report on Financial Results of the Company for the financial year ended 31st March, 2017.

Please take the above on your record.

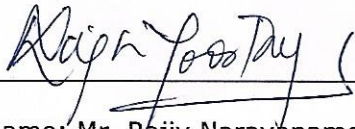

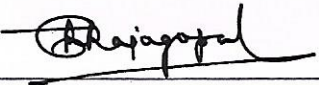
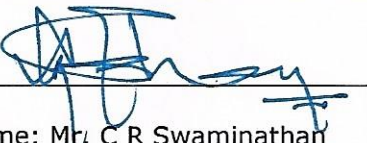
Thanking you;

Yours faithfully,
For **SHANTHI GEARS LIMITED**

C. Subramaniam
Company Secretary



Form A

1	Name of the Company	:	SHANTHI GEARS LIMITED
2	Annual financial statements for the year ended	:	March 31, 2017
3	Type of Audit observation	:	Unqualified
4	Frequency of observation	:	Not Applicable
5	To be signed by	:	
	CEO / Managing Director	:	 <hr/> Name: Mr. Rajiv Narayanamoorthy Designation: Chief Executive Officer Place: Coimbatore Date: 03 May, 2017
	Company Secretary	:	 <hr/> Name: Mr. Subramaniam C Designation: Company Secretary Place: Coimbatore Date: 03 May, 2017
	Auditor of the company	:	Refer our Audit Report dated May 03, 2017 on the financial statements of the Company For Deloitte Haskins & Sells Chartered Accountants (Firm's Registration No. 008072S)  <hr/> C.R. Rajagopal Partner Membership No. 023418
	Audit Committee Chairman	:	 <hr/> Name: Mr. C R Swaminathan Designation: Audit Committee Chairman Place: Coimbatore Date: 03 May, 2017



May 3, 2017

National Stock Exchange of India Ltd,
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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**Kind Attn: Listing Department**

Sub: Book Closure intimation

Security Code	Types of Security & Paid-up Value	Book Closure	Purpose
NSE- SHANTIGEAR BSE- 522034	Equity Shares of Re.1/- each	15 th July, 2017 to 26 th July, 2017 (both days inclusive)	To Comply with SEBI Listing Regulations- Closure of Register of Members for the purpose of Annual General Meeting and for recommendation of dividend of Rs- 0.75/- per equity share for the year ended 31 st March, 2017

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



Financial Results of Shanthi Gears Ltd for 2016-17

Net Profit for 2016-17 up by 27. %

The Board of Shanthi Gears Ltd. (SGL) a subsidiary of Tube Investments of India Ltd, (TII) met today to discuss the audited financial results for the quarter and year ended 31st March, 2017.

The turnover for the year was higher by 12 % in comparison to the previous year and at Rs 203.82 Crores. The net profit after tax for the year was 27 % higher at Rs.22.51 Crores against Rs. 17.73 Crores in the previous year.

The Company had a good growth of 21% in turnover during the quarter than the same quarter last year. The turnover was Rs. 55.40 Crores for the quarter against Rs.45.86 Crores in the same quarter last Year.

During the year the Company improved its orderbook position significantly by booking orders to the tune of Rs. 213 Crores (against Rs. 195 Crores for the previous year), a growth of 9%. The Company made good strides in service sector. Pending orderbook as on March 2017 was Rs. 112 Crores against Rs. 106 Crores in the previous year.

To enhance its product offerings in the catalogue range, the Company launched new products such as Elite for Standard Helical, Worm+ for Standard Worm and Power+ for Gear Couplings.

The Board recommended a Dividend of Rs.0.75/- per share of Face Value Re.1/- per share for the financial year ended 31st March, 2017.