



26<sup>th</sup> December, 2018

The Manager  
Listing Department  
National Stock Exchange of India Ltd  
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 Symbol: **SHANTIGEAR**  
Through NEAPS

Scrip Code: **522034**  
Through BSE Listing Centre

Dear Sir,

**Sub: Outcome of Board meeting**

Further to our letter dated 17<sup>th</sup> December, 2018, pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations"), we write to inform that at the meeting held today (26<sup>th</sup> December, 2018), the Board of Directors ("the Board") of the Company approved the following:

**1. Special (Interim) Dividend for FY 2018-19**

In order to reward the shareholders, the Board of Directors of the Company declared a one-time Special (Interim) Dividend of Rs.5/- (Rupees Five Only) per equity share of the face value of Re.1/- each fully paid up, for the financial year 2018-19.

Pursuant to Regulation 42(2) of the Regulations, it is further notified that the Company has fixed **Monday, January 7, 2019** as the Record Date for the purpose of ascertaining the eligibility of shareholders for payment of Interim Dividend. The dividend will be credited to the account of the shareholders or the dividend warrant in respect thereof will be dispatched on or before January 18, 2019.

**2. Buy-back of equity shares**

The Board approved the buyback of fully paid up equity shares of Re.1 each ("Equity Share") of the Company not exceeding 50,00,000/- Equity Shares (being 6.12% of the total paid-up equity capital of the Company) at a price of Rs.140/- (Rupees One Hundred and Forty only) per Equity Share, for an aggregate amount of up to Rs. 70,00,00,000/- (Rupees Seventy Crores only) (excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc.), being less than 25% of the aggregate paid-up equity capital and free reserves of the Company as on March 31, 2018 (hereinafter referred to as "the Buyback") from the shareholders of the Company on a proportionate basis

**Works:** "C" Unit, Avinashi Road, Muthugounden Pudur Post, Coimbatore - 641 406, India.  
Tel: +91 422 4545745 / Fax: +91 422 4545700 / Mobile: +91 96262 60500 (8 Lines)





through the tender offer route in accordance and consonance with the provisions contained in the Companies Act, 2013 and the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 ("Buyback Regulations") (including any statutory modification(s) or re-enactment of the Companies Act, 2013 or the Buyback Regulations). The public announcement setting out the process, timelines and other statutory details will be released in due course in accordance with the Buyback Regulations. The Board has formed a Buyback Committee (the "Buyback Committee") and has delegated its powers to the Buyback Committee to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, usual or proper in connection with the Buyback. The pre-Buyback shareholding pattern of the Company as on December 21, 2018 is attached hereto as Annexure-A.

Further, the Board noted that the Promoters and Promoter Group of the Company have expressed their intention to tender up to a maximum of 49,06,500 Equity Shares out of the 5,73,02,913 Equity Shares held by them.

The Board also approved seeking of shareholders' approval through postal ballot process pursuant to Section 110 of the Companies Act, 2013, read with rules framed thereunder for approval of the Buyback, as above, and providing of e-voting facility to the shareholders of the Company for the postal ballot process.

Copy of the press release being issued in this regard is also enclosed.

The meeting of the Board of Directors commenced at 10.00 a.m. and closed at 1.25 p.m.

This above is for your information and record please.

Thanking you,

Yours faithfully,  
**For Shanthi Gears Limited**

C. Subramanian  
Company Secretary

Encl.: As above



**BUREAU  
VERITAS**

ISO 9001 : 2015  
ISO 14001 : 2015  
OHSAS 18001 : 2007  
EN 9100 : 2016 (AS 9100 D)  
ISO/TS 22163 : 2017

Regd. Office :  
304-A, Trichy Road,  
Singanallur  
Coimbatore - 641 005

Phone : +91-422-4545745  
Fax : +91-422-4545700  
E-mail : info@shanthigears.murugappa.com  
Website : www.shanthigears.com  
CIN : L29130TZ1972PLC000649  
GST : 33AADCS0692L1Z7

**Annexure A**

Pre-Buyback Shareholding Pattern of Shanthi Gears Limited  
(as on December 21, 2018)

Category of Shareholder	No. of Shares	% to the Share Capital
Promoter and Promoter Group	5,73,02,913	70.12
Foreign Investors ( Foreign Portfolio Investors, Foreign Banks, Foreign Nationals, Non Resident Indian and Overseas Corporate Bodies )	29,65,350	3.63
Indian Financial Institutions, Banks, Insurance Companies, Alternate Investment Funds	30,76,794	3.77
Mutual Funds	15,31,878	1.87
Bodies Corporate/Trust/ Clearing Members/NBFC	6,74,467	0.83
Resident Individuals and Others	1,61,64,451	19.78
<b>Total</b>	<b>8,17,15,853</b>	<b>100.00</b>



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PRESS RELEASE

### Shanthi Gears announces Special Interim Dividend & Share Buyback

The Board of Directors of Shanthi Gears Limited, a subsidiary of Tube Investments of India Limited, at its meeting held today, declared a one-time Special (Interim) Dividend of Rs.5/- (Rupees Five Only) per equity share of the face value of Re.1/- each fully paid up, for the financial year 2018-19 to reward the shareholders.

The Board also approved a proposal for buyback of equity shares of the Company, not exceeding 50 lakh equity shares of Re.1/- each fully paid-up, at a price of Rs.140 per share, through the tender route on a proportionate basis, from the shareholders, subject to necessary approvals.

The Company mentioned that the Special (Interim) Dividend and the buyback have been announced after taking into consideration the fund requirements for its growth plans in the coming years.

