

Press Release from Shanthi Gears Ltd

Revenue at ₹ 25.1 Crs in Q1

Coimbatore, 21st July 2020: 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 year ended 30th June, 2020.

Highlights

The Company resumed operations from mid of Q1. The revenue was affected because of COVID 19 pandemic and resulted in Loss. But there is a progressive improvement in the business during the quarter and resulted in profit for the month of Jun-20.

- Revenue of ₹ 25.1 Crs in the quarter as against ₹ 71.4 Crs in Q1 of previous year.
- The Net Loss before tax for the quarter was ₹ 4.5 Crs as against the Net Profit before Tax of ₹12.61 Crs in Q1 of previous year.

During the quarter the Company booked orders for ₹ 40 Crores (against ₹ 72 Crores for corresponding quarter of the previous year). This is on account of sluggish demand from almost all major user industries due to COVID-19 pandemic.

Pending orderbook as on 30th June 2020 was ₹ 164 Crores as against ₹ 163 Crores for the corresponding quarter in the previous year.

Consequent to the outbreak of the COVID-19 pandemic and the lockdown/curfew introduced by the Central and State Governments, the operations in the Company's manufacturing plants had to be shut down or were disrupted from 23rd March 2020 onwards.

With the easing in the lockdown/curfew and the Governments permitting operations to be resumed with necessary permission from the local authorities, the Company has resumed operations from mid Q1.

The ensuing restrictions have had a significant impact on our operational and financial performance in the quarter. Our revenue and profitability for the quarter were significantly impacted as compared to the same quarter last year.

About Murugappa Group

Founded in 1900, the INR 381 Billion (38,105 Crores) Murugappa Group is one of India's leading business conglomerates. The Group has 28 businesses including nine listed Companies traded in NSE & BSE. Headquartered in Chennai, the major Companies of the Group include Carborundum Universal Ltd., Cholamandalam Financial Holdings Ltd., Cholamandalam Investment and Finance Company Ltd., Cholamandalam MS General Insurance Company Ltd., Coromandel International Ltd., Coromandel Engineering Company Ltd., E.I.D. Parry (India) Ltd., Parry Agro Industries Ltd., Shanthi Gears Ltd., Tube Investments of India Ltd., and Wendt (India) Ltd.



Market leaders in served segments including Abrasives, Auto Components, Transmission systems, Cycles, Sugar, Farm Inputs, Fertilisers, Plantations, Bio-products and Nutraceuticals, the Group has forged strong alliances with leading international companies such as Groupe Chimique Tunisien, Foskor, Mitsui Sumitomo, Morgan Advanced Materials, Sociedad Química y Minera de Chile (SQM), Yanmar & Co. and Compagnie Des Phosphat De Gafsa (CPG). The Group has a wide geographical presence all over India and spanning 6 continents.

Renowned brands like BSA, Hercules, Montra, Mach City, Ballmaster, Ajax, Parry's, Chola, Gromor, Shanthi Gears and Paramfos are from the Murugappa stable. The Group fosters an environment of professionalism and has a workforce of over 51,000 employees.

For more details, visit www.murugappa.com

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