



# BUILDING RESILIENCE

**Shanthi Gears Limited**  
**48<sup>th</sup> Annual Report**  
**2020 - 2021**

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#### Cautionary Statement

Certain expectations and projections regarding the future performance of the Company referenced in the Annual Report constitute forward-looking statements. These expectations and projections are based on currently available competitive, financial and economic data, along with the Company's operating plans and are subject to certain future events and uncertainties, which could cause actual results to differ materially from those indicated by such statements.

# The Spirit of the Murugappa Group

The light of  
**INTEGRITY**  
that gives us the courage to  
always do the right thing

The light of  
**RESPONSIBILITY**  
that gives us the humility to  
think about the world around us

The light of  
**PASION**  
that provides us with  
the desire to win

The light of  
**RESPECT**  
that inspires people  
around us to perform

The light of  
**QUALITY**  
which makes us  
dream of excellence

These **five lights** guide us as we navigate  
through professional and personal decisions.

**Our Homage**



**Shri P Subramanian**

11<sup>th</sup> November, 1942 - 11<sup>th</sup> December, 2020

*Founder of Shanthy Gears Limited*

**Dear Shareholders,**

The year 2020-21 has been unprecedented in terms of the environment in which we have had to do business.

My sincere wishes and prayers for the good health, happiness and prosperity of all our shareholders and their families. The pandemic has not only affected our livelihood, business and the economy but also taught us many lessons in managing tough situations. It has been a year of learning and exploring new opportunities.

On 11<sup>th</sup> December 2020, we lost our beloved founder of Shanthi Gears, Mr P Subramanian who not only established one of the finest gear and gear box manufacturing facilities, but also distinguished himself by his generous and selfless service to the society through Shanthi Social Services. In 2021, Govt. of India awarded him Padma Shri (posthumously) considering his remarkable contribution in the field of Trade and Industry. We at Shanthi Gears sincerely acknowledge the strong foundation he laid for the company and pay our homage.

Our business in Q1 was sluggish but could break even in Q2. We could meet the additional demand in Q3 and Q4 and achieved a business of ₹134 crores in Q3 & Q4 which is 37% higher over the corresponding period FY 19-20. We gained momentum in exports by registering a 27% growth, adding products and expediting proto orders. The team bagged about 10 projects in steel sector, that includes new products and new application for stainless steel rolling application. The business also recorded its highest order booking of ₹190 crores in H2.

The tough operating conditions due to the pandemic also forced the company to look at new opportunities to improve your company's performance. The noteworthy improvements have been in the areas of productivity, cost reduction, digitalization and acquisition of new customers. I am confident these will be continued with focus in the coming years too.



As we get into FY 2021-22, we have to service customer orders within the framework of the restrictions imposed due to the second wave of Covid 19. With a healthy orderbook of above ₹200 crores, your company will continue to strengthen relationships with customers, suppliers and other stake holders.

2020-21 has been a challenging year and I would like to thank our employees, management team, customers, dealers, suppliers and other stake holders for their hard work and commitment during this important phase of the company's journey. I would also thank the Board Members for their continued support and encouragement to the team.

My Sincere thanks to all of you for the trust and confidence reposed in us during this uncertain time.

Sincerely,  
**L Ramkumar**

## COMMITMENT TO STAKEHOLDERS AND SOCIETY

### COVID Contribution

Contribution to CM relief fund for COVID.



### Renovation

We have Renovated the rest room of Sulur Girls Higher Secondary School.



## SAFETY - COVID-19 AWARENESS

- CORONA Warriors team is formed comprising of shop floor employees (rotational shifts) to prevent the spread of COVID.
- Warriors will ensure the basic preventive measures that are to be followed in work place to reduce the risk of COVID infections like employee's compliance with social distancing in the workplace, adherence to wear the masks, practice of hand washing and other COVID precautionary measures to followed in common areas like canteen, bus transport and employees rest room, etc.,
- Scheduled weekly meetings with warriors to collect their feedback about workplace compliance and address the concerns immediately.



Step 1:- Follow round markings to ensure social distancing



Step 2:- Disinfection of footwears



Step 3:- Hand sanitization

## EMPLOYEE ENGAGEMENT ACTIVITIES

X-mas Celebration



Pongal Celebration



International Women's Day Celebration



Women wellness program



Eye Check-up Camp



## IRIS &amp; ISO CERTIFICATES



### Order Booking (₹ Cr.)



### Export Sales (₹ Cr.)

