

SGL-54/Sec/2023-24

30th January, 2024

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 Code: SHANTIGEAR
Through NEAPS**

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

Dear Sir / Ma'am,

Sub: Intimation under Regulation 30 read with Regulation 31(A)(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations").

Further to our intimation dated 10th November, 2023 regarding the receipt of request(s) for re-classification of certain persons belonging to the Promoter/Promoter Group category to the Public Shareholder category, we wish to inform you that their request was placed before the Board of Directors of the Company at its meeting held today i.e., 30th January, 2024. The Board inter- alia has considered the request made by the following members of the Promoter and Promoter Group of the Company ("Outgoing Promoters") and after analyzing, has approved the same.

The re-classification of the Outgoing Promoters will be subject to the approval of the Stock Exchanges in terms of Regulation 31A of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Further, in compliance with Regulation 31A (8) of the Listing Regulations, the certified extract of the minutes of the Board meeting held today, i.e., 30th January, 2024 is enclosed as Annexure-A.

This is for your kind information and records.

Thanking you,

Yours faithfully,

For Shanthi Gears Limited

**Walter Vasanth P J
Company Secretary & Compliance Officer**

Annexure-A

CERTIFIED TRUE COPY OF THE EXTRACT OF THE MINUTES OF THE MEETING OF THE BOARD DIRECTORS OF SHANTHI GEARS LIMITED HELD ON TUESDAY, THE 30TH OF JANUARY, 2024 AT C-UNIT, AVINASHI ROAD, MUTHUGOUNDENPUDUR, COIMBATORE – 641 402.

The Board noted that Ms. Valli Arunachalam, Ms. Vellachi Murugappan, and M V Murugappan HUF (through its Karta Valli Arunachalam), members of the Promoter and Promoter Group of the Company ("**Outgoing Promoters**"), have vide their letter dated 08th November, 2023 received by the Company on 10th November, 2023 ("**Request Letter**") signified their intention to be re-classified to Public Shareholder category.

In line with the requirements of Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), the Company has notified the stock exchanges about the receipt of the above request(s) on 10th November, 2023 (collectively "**Stock Exchanges**").

The Request Letter received from Outgoing Promoters was placed before the Board for its consideration. As on the date of the Request Letter, the details of the shareholding of the Outgoing Promoters are as follows:

Sr. No.	Name of shareholder	Category of shareholder	No. of paid-up equity shares	Percentage of shareholding
1	Valli Arunachalam	Promoter Group	0	0.00%
2	Vellachi Murugappan	Promoter Group	0	0.00%
3	M V Murugappan HUF (karta-Valli Arunachalam)	Promoter	0	0.00%
	Cumulative holding		0	0.00%

The Board noted that Outgoing Promoters vide the Request Letter have confirmed that neither they nor the persons related to them:

1. hold more than 10% of the total voting rights in the Company;
2. exercise control over the affairs of the Company, directly or indirectly;
3. have any special rights with respect to the Company, through formal or informal arrangement, including through any shareholder agreements;
4. are represented on the board of directors of the Company (including by way of a nominee director);
5. are acting as Key Managerial Personnel in the Company;

6. are classified as wilful defaulters as per the guidelines issued by the Reserve Bank of India; and
7. have been categorized as a Fugitive Economic Offender.

The Board further noted the rationale for such re-classification is pursuant to the family settlement as recorded in the memorandum recording family arrangement dated 20th August, 2023 executed between certain members of the Murugappa family and the MV Murugappan family, by way of which they, as members of the MV Murugappan family, have segregated from the Murugappa family by separation of business and other affairs.

The Board also noted that the Outgoing Promoters have undertaken in their Request Letter that they shall comply with the requirements specified in Regulation 31A(4) of the SEBI Listing Regulations at all times.

The Board was further informed that in terms of Regulation 31A of the SEBI Listing Regulations, the said re-classification requires the approval of the Board of Directors of the Company, and the Stock Exchanges and/ or such other approval, if any, as may be necessary in this regard.

The Board considering the above mentioned rationale and in accordance with the provisions of Regulation 31A of the SEBI Listing Regulations, considered and approved the request of the Outgoing Promoters for re-classification from the 'Promoter and Promoter Group' category to 'Public shareholder category/ which shall be subject to the approval of the Stock Exchanges. The Obligations of the Company and the Board in this regard had been circulated to the Board.

The Board noted that none of the Directors of the Company is/ are interested in this Resolution.

The Board considered the above and approved the re-classification request, and passed the following Resolution:

“RESOLVED THAT in accordance with the provisions of Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (**“SEBI Listing Regulations”**), including any statutory modification(s) or re-enactment thereof, for the time being in force and other applicable provisions, if any, the letter dated 08th November, 2023 received by the Company on 10th November, 2023 (**“Request Letter”**) received from Ms. Valli Arunachalam, Ms. Vellachi Murugappan and M V Murugappan HUF (through its Karta Ms. Valli Arunachalam), forming part of ‘Promoter and Promoter Group’ of the Company (**“Outgoing Promoters”**), for re-classification of their shareholding to ‘Public category’, as placed before the Board be and hereby noted and taken on record.

RESOLVED FURTHER THAT the Board be and hereby takes note that as required under the provisions of Regulation 31(A) (3) (b) of the SEBI Listing Regulations, the Outgoing Promoters have confirmed that neither they nor the persons related to them:

1. hold more than 10% of the total voting rights in the Company;
2. exercise control over the affairs of the Company, directly or indirectly;
3. have any special rights with respect to the Company, through formal or informal arrangement, including through any shareholder agreements;
4. are represented on the board of directors of the Company (including by way of a nominee director);
5. are acting as Key Managerial Personnel in the Company;
6. are classified as wilful defaulters as per the guidelines issued by the Reserve Bank of India; and
7. have been categorized as a Fugitive Economic Offender.

and shall continue to comply with the conditions mentioned in Regulation 31A(4) of Listing Regulations post reclassification from 'promoter and promoter group' category to 'public' category.

RESOLVED FURTHER THAT pursuant to provisions of 31A(3)(c) of the Listing Regulations, the Board hereby confirms the following:

1. The Company is and post reclassification will be compliant with the requirement of minimum public shareholding as required under Regulation 38 of the Listing Regulations;
2. The Company shall not trade in its shares which have been suspended by stock exchanges; and
3. The Company does not have any outstanding dues to the Securities and Exchange Board of India, the stock exchanges or depositories.

RESOLVED FURTHER THAT pursuant to the provisions of the Regulation 31A of the Listing Regulations, and subject to the approval of the Stock Exchanges where the equity shares of the Company are listed namely, BSE Limited and National Stock Exchange of India Limited ("**Stock Exchanges**"), and/ or such other approvals, if any, as may be required in this regard, the approval of the Board be and is hereby accorded to approve the reclassification of shareholdings from 'Promoter and Promoter Group' category to 'Public' category for the following shareholders:

Sr. No.	Name of shareholder	Category of shareholder	No. of paid-up equity shares	Percentage of shareholding
1	Valli Arunachalam	Promoter Group	0	0.00%
2	Vellachi Murugappan	Promoter Group	0	0.00%
3	M V Murugappan HUF (karta-Valli Arunachalam)	Promoter	0	0.00%
	Cumulative holding		0	0.00%

RESOLVED FURTHER THAT application be made by the Company to the Stock Exchanges and/ or to any other authority for their approval, as may be necessary to give effect to this Resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing Resolution, Mr. M Karunakaran, Chief Executive Officer; Mr. Ranjan Kumar Pati, Chief Financial Officer and Mr. Walter Vasanth P J, Company Secretary, be and are hereby severally authorized on behalf of the Company to do, as they may in their absolute discretion deem fit, all such acts, deeds, matters and things as they may at their discretion deem necessary or expedient for such purpose, including issuing certified true copy of any of the Resolutions and/ or extracts of the Minutes of this Board Meeting to the concerned person/ authority and making all necessary filings including but not limited to making applications to the Stock Exchanges to seek their approval for the re-classification in accordance with SEBI Listing Regulations and other applicable laws, if any, and to execute all such deeds, documents or writings as are necessary or expedient for this purpose and settle any questions, difficulties or doubt that may arise in this behalf.

RESOLVED FURTHER THAT if any of the documents relating to the re-classification is required to be affixed with the Common Seal of the Company, it be so affixed, and it be signed in accordance with the provisions of Articles of Association of the Company.

// CERTIFIED TRUE COPY//

For Shanthi Gears Limited

Place: Coimbatore
Date: 30th January, 2024

Walter Vasanth P J
Company Secretary & Compliance Officer