**Abstract**

The study covers the Financial Statement Analysis of Shanthi Gears Limited. It is a fourth top rated company among gear manufacturing industries in India with sustainability over four decades. Its sustainability attracts to analyze the performance of the company. Accounting is the process of recording the transactions that are related to the business in day books or journals. It is done in order to gain knowledge about the financial aspects and also to compare its financial performance over the years. Such analysis can be done with the financial statements of the company. To determine the liquidity position of the company, schedule of changes in working capital and cash flow comparison has been used as a primary tool. Accordingly, the tools have been used and the results are stated in the study and depicts the same in tables and charts