



Gandhi Special Tubes Ltd.

Regd. Off.: 201-204, Plaza, 2nd Floor, 55 Hughes Road, Next to Dharam Palace, Mumbai - 400 007.

Tel.: 2363 4179 / 2363 4183 / 2363 5042 • Fax : 91-22-2363 4392

E-mail : info@gandhitubes.com • Website : www.gandhitubes.com

CIN.: L27104MH1985PLC036004



Ref No: GSTL/SEC/BSE/NSE/02026092

Date: 29.06.2020

Corporate Relationship Department BSE LIMITED 1 st floor, Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001. Scrip Code: 513108	The Manager Listing Department THE NATIONAL STOCK EXCHANGE OF INDIA LTD Exchange Plaza, Plot No C/1, G Block Bandra-Kurla Complex, Bandra (East) Mumbai - 400051. Company Code : GANDHITUBE
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Subject: Outcome of Board meeting under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/ Madam,

Pursuant to the requirements of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you the outcome of the Meeting of the Board of Directors held on Monday, June 29, 2020 through video conferencing which commenced at 4.00 p.m. and concluded at 4.58 p.m. as under:

1. Approval of the Audited Financial results for the quarter and year ended 31st March, 2020 and Auditors Report thereon.
2. Statement of Assets and Liabilities and the Cash Flow Statement for the year ended 31st March, 2020.
3. Recommendation of a Final Dividend of Rs. 9/- for the Financial Year ended 31st March, 2020 on Equity Shares of Rs. 5/- each subject to the approval by members at an ensuing Annual General Meeting.
4. Elevated Mr. Jitendra Khadye, Assistant Company Secretary being an Associate Member of the Institute of Company Secretaries of India and having Membership No. A61403, as the Company Secretary and Compliance Officer of the Company with effect from 29th June, 2020.
5. Re-Appointment of Ms. Bhavi Koradia as an Independent Director for a second term of 5 years with effect from 29th July, 2020 subject to the approval by members at an ensuing Annual General Meeting by way of Special Resolution.





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As required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a copy of Audited Financial Results along with Statement of Assets & Liabilities, Declaration with respect to the Audit Report with unmodified opinion to the audited financial results and Independent Auditor's Report are attached herewith.

Pursuant to the relaxation offered by the Securities Exchange Board of India vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 exempting publication of advertisement in newspapers as required under Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company will not be publishing the Audited Financial Results in any Newspaper.

Kindly take the above information on your record and acknowledge the receipt thereof.

Thanking you,

Yours Faithfully,

For Gandhi Special Tubes Limited,



Manharlal G. Gandhi
Chairman & Managing Director
DIN: 00041190



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Sub: Declaration with respect to Audit report with unmodified opinion to the Audited Financial Results for the financial year ended March 31, 2020.

We hereby declare that the Statutory Auditors have not expressed any modified opinion(s) in their Audit Report on Audited Financial Results for the financial year ended March 31, 2020 which have been approved by the Board of Directors of the Company at the meeting held today, i.e. June 29, 2020.

The above declaration is made pursuant to Regulation 33 (3) (d) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

Kindly take this declaration on your record

Yours Faithfully,

For Gandhi Special Tubes Limited,

Manharlal Gandhi
Chairman & Managing Director
DIN: 00041190





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STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED AND YEAR ENDED 31ST MARCH, 2020.

Sr. No.	PARTICULARS	Quarter Ended				
		31-12-2019			31-03-2019	
		31-03-2020 (AUDITED) (Ref. Note 3)	(UNAUDITED)	31-03-2019 (AUDITED) (Ref. Note 3)	31-03-2020 (AUDITED)	31-03-2019 (AUDITED)
(₹ In Lakhs except EPS)						
I	Revenue from Operations	2,065.40	1,844.94	2,405.23	8,093.84	12,290.68
II	Other Income	107.71	141.57	233.48	571.12	770.87
III	Total Income (I+ II)	2,173.11	1,986.51	2,638.71	8,664.96	13,061.55
IV	Expenses					
	a) Cost of materials consumed	829.60	753.50	801.65	3,001.67	4,376.21
	b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(120.55)	(75.59)	43.02	(11.06)	(122.30)
	c) Employee benefits expenses	155.80	167.60	180.59	655.67	846.60
	d) Depreciation and amortisation expenses	92.65	88.09	93.29	355.48	369.05
	e) Power & Fuel	229.05	195.26	246.70	843.52	1,283.62
	f) Other Expenses	394.87	264.91	235.03	1,212.76	1,333.03
	g) Financial Charges	4.22	-	-	4.22	-
	g) Total expenses	1,585.64	1,393.77	1,600.28	6,062.26	8,086.21
V	Profit before exceptional items and tax (III - IV)	587.47	592.74	1,038.43	2,602.70	4,975.34
VI	Exceptional Items	-	-	-	-	-
VII	Profit before tax (V - VI)	587.47	592.74	1,038.43	2,602.70	4,975.34
VIII	Tax Expense					
	i) Current Tax	142.00	122.00	251.48	662.00	1,068.25
	ii) Deferred Tax	15.78	16.45	39.37	(196.58)	43.96
		157.78	138.45	290.85	465.42	1,112.21
IX	Profit for the period (VII - VIII)	429.69	454.29	747.58	2,137.28	3,863.13
X	Other Comprehensive Income (OCI)					
	Items that will not be reclassified to Profit or Loss :					
	Remeasurement [gain/(loss)] of Defined employee - benefit liability	(9.26)	6.22	21.91	9.42	24.91
	Income Tax on above	2.33	(1.56)	(6.38)	(2.37)	(7.25)
	Other Comprehensive Income (OCI)	(6.93)	4.66	15.53	7.05	17.66
XI	Total Comprehensive Income for the Period (IX + X)	422.76	458.95	763.11	2,144.33	3,880.79
XII	Paid-up equity share capital (Face value of ₹ 5/- each)	645.93	645.93	690.93	645.93	690.93
XIII	Earnings Per Equity Share of ₹ 5/- each Basic & Diluted	3.20	3.35	5.41	15.93	27.96

AUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2020

A	PARTICULARS	As at	
		31-03-2020 (AUDITED)	31-03-2019 (AUDITED)
(₹ In Lakhs)			
1	ASSETS		
1	Non-current assets		
	(a) Property Plant and Equipment		
	(b) Other Intangible Assets	4,836.99	5,125.77
	(c) Financial Assets	3.09	2.56
	(i) Investments		
	(ii) Other Financial Assets	3,851.39	7,252.67
	(d) Other Non-Current Assets	7.21	4.85
	Sub-Total	8,698.68	12,385.85
2	Current assets		
	(a) Inventories		
	(b) Financial Assets	2,522.04	2,694.20
	(i) Investments		
	(ii) Trade Receivables	3,034.89	4,736.65
	(iii) Cash and cash equivalents	1,472.23	1,537.89
	(iv) Other Bank Balances	56.07	213.90
	(iv) Loans	154.69	137.61
	(iv) Other Financial Assets	75.83	80.23
	(c) Other current assets	63.03	75.24
	Sub-Total	92.70	225.39
	TOTAL ASSETS	7,471.48	9,701.11
		16,170.16	22,086.96



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B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity Share Capital	645.93	690.93
	(b) Other Equity	14,011.25	19,413.90
	Sub-Total	14,657.18	20,104.83
2	Non-current liabilities		
	(a) Financial Liabilities		
	(b) Provisions	30.28	-
	(c) Deferred tax liabilities (net)	327.48	308.90
	Sub-Total	662.82	857.03
3	Current liabilities		
	(a) Financial Liabilities		
	(i) Trade payables		
	a) Micro, Small and Medium Enterprises	12.24	15.83
	b) Others	89.47	157.06
	(ii) Other Financial Liabilities	193.56	386.12
	(b) Other current liabilities	138.12	150.50
	(c) Provisions	42.66	40.47
	(d) Current Tax Liabilities (Net)	16.35	66.22
	Sub-Total	492.40	816.20
	TOTAL EQUITY AND LIABILITIES	16,170.16	22,086.96

AUDITED STATEMENT OF CASH FLOW FOR YEAR ENDED 31ST MARCH, 2020

Sr. No.	Particulars	(₹ In Lakhs)	
		As at 31-03-2020	As at 31-03-2019
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit before Tax	2,602.70	4,975.34
	Add / (Less):- Adjustments for Non-Cash / Non-Operating Items		
	Depreciation and amortisation	355.49	369.05
	Interest income	(147.41)	(170.84)
	Interest expense	4.22	-
	Dividend income	(172.67)	(94.72)
	Net Gain on Sale of Non-current Investments	13.36	(18.33)
	Gain on Sale of Current Investments	(17.08)	(27.33)
	Gain on Fair Valuation of Investments	(237.02)	(442.23)
	(Profit)/Loss on Property, Plant and Equipment sold/scrapped/written off (Net)	(0.02)	4.82
	Other Adjustments	9.42	24.91
	Operating profit before working capital changes	2,410.99	4,620.67
	Adjusted for :		
	(Increase) / Decrease in Trade Receivables	65.66	407.44
	(Increase) / Decrease in Inventories	172.16	(691.24)
	(Increase) / Decrease in Other Financial Assets	1.72	(27.39)
	(Increase) / Decrease in Other Current Assets	145.22	(46.07)
	Increase/(Decrease) in Trade Payables, Other Current, Financial Liabilities and Short-term Provisions	(273.92)	(107.60)
	Increase / (Decrease) in Provisions	48.87	2.08
	Cash generated from Operations	159.71	(462.78)
	Taxes paid	2,570.70	4,157.89
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)	(711.87)	(1,047.96)
B	CASH FLOW FROM INVESTING ACTIVITIES	1,858.83	3,109.93
	Interest received	147.41	170.84
	Dividend received	172.67	94.72
	Purchase of Property, Plant and Equipment	(67.61)	(378.07)
	Sale of Property, Plant and Equipment	0.38	15.00
	Purchase of investments during the year	(8,530.51)	(9,232.54)
	Sale of investments during the year	13,874.29	7,618.44
	NET CASH (USED IN) INVESTING ACTIVITIES (B)	5,596.63	(1,711.61)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Interest Expenses	(4.22)	-
	Payment for Buy-Back of Equity Shares :		
	against Equity Share Capital	(45.00)	-
	against Security Premium Account	(4,905.00)	-
	tax on Buy Back of Shares	(1,142.67)	-
	Corporate Dividend (including Dividend Distribution Tax)	(1,499.32)	(1,499.32)
	NET CASH (USED IN) FINANCING ACTIVITIES (C)	(7,596.21)	(1,499.32)
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(140.75)	(101.00)
	Opening Balance of Cash and Cash Equivalents and Other Bank Balances	351.51	452.51
	CLOSING BALANCE OF CASH AND CASH EQUIVALENTS AND OTHER BANK BALANCES	210.76	351.51



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NOTES

- 1 The above audited financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on June 29, 2020.
- 2 The Company has only one reportable segment in terms of Ind AS 108.
- 3 The figures for the quarters ended March 31, 2020 and March 31, 2019 as reported in this financial results are balancing figures between the audited figures in respect of the financial year and the published year to date figures upto the end of third quarter of the relevant financial years. Also the figures upto the end of third quarter had only been reviewed and not subject to audit.
- 4 Tax expenses for the quarter and year ended March 31, 2020 reflect changes made vide Taxation Laws (Amendment) Ordinance, 2019 and accordingly, the Company has recognised Provision for Income Tax for the year ended March 31, 2020 basis the rate prescribed in the above Ordinance. The Company has also re-measured its deferred tax liabilities and the impact of re-measurement has been recognised in the financial results for the year ended March 31, 2020.
- 5 The Company's management has made initial assessment of likely adverse impact on business and believe that the impact likely to be from short to medium terms in nature. The management does not see long term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due. The management has also evaluated the recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, inventories, trade receivables and other current assets. In assessing the impact of COVID-19, the Company has used internal and external indicators of future economic conditions including economic forecast. The Company has used the elements of prudence in applying the judgement and assumptions, including sensitive analysis, and based on the current estimates the carrying amount of these assets will be recoverable.
- 6 Effective April 1, 2019, the Company has adopted IND-AS116 - Leases. The adoption of this standard does not have any material impact to the financial results of the Company.
- 7 The Board of Directors have recommended dividend of ₹ 9/- (180 %) for equity share for the financial year ended March 31, 2020. The dividend is subject to the approval by the shareholders in the ensuing Annual General Meeting of the Company.
- 8 The Company concluded the buy back of 9,00,000 equity shares of Rs. 5/- each (representing 6.51% of total pre buy-back paid up Equity Capital) from the shareholders on proportionate basis by way of a tender offer at a price of Rs. 550 per equity share for an aggregate amount of Rs. 49.50 Crores in accordance with the provisions of the Companies Act, 2013 and the SEBI (Buy Back of Securities) Regulations, 2018. The process of buyback was completed on **October 25, 2019**, the effect for which will be given in the Financial Statement for the year ended March 31, 2020. Consequent to the Buy-Back, Equity Share Capital and Other Equity will reduce by Rs. 45 Lakhs and Rs. 4905 Lakhs respectively.
- 9 Figures for the previous periods have been regrouped and / or rearranged and / or reclassified wherever necessary to make them comparable with those of current periods.

For Gandhi Special Tubes Limited

Manhar Gandhi

Chairman & Managing Director

Place : MUMBAI

Dated : 29 June, 2020

Independent Auditors' Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

TO
THE BOARD OF DIRECTORS
GANDHI SPECIAL TUBES LIMITED

Report on the audit of the Financial Results

Opinion

We have audited the accompanying quarterly financial results of Gandhi Special Tubes Limited (the company) for the quarter ended March 31, 2020 and the year to date results for the period from April 1, 2019 to March 31, 2020, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

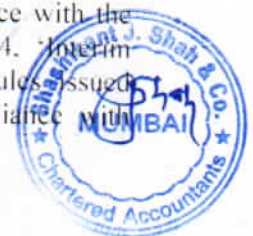
- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter ended March 31, 2020 as well as the year to date results for the period from April 1, 2020 to March 31, 2020

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Standalone Financial Results

These quarterly financial results as well as the year to date standalone financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance



Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



For Shashikant J. Shah & Co.
Chartered Accountants
Firm's Registration No.109996W

Shashikant J. Shah

CA. Shashikant J. Shah
Partner
Membership No.015905
UDIN:

20015905AAAAAC1736

Place: Mumbai

Date: 29/06/2020