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

TÜV ISO 9001:2008 & ISO/TS 16949:2009 Certified Company

Date: September 01, 2020

Corporate Relationship Department BSE LIMITED 1st 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**

Subject: 35th Annual Report for the year 2019-2020

Dear Sir/ Madam,

Pursuant to Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed 35th Annual Report of the Company, for the year 2019-2020.

Kindly take the above document on your record and disseminate the same on the website of the Exchange.

Thanking you,

Yours Faithfully,

For Gandhi Special Tubes Ltd,

GANDHI SPECIAL TUBES LTD.

Jitendra Khadye
Company Secretary & Compliance Officer

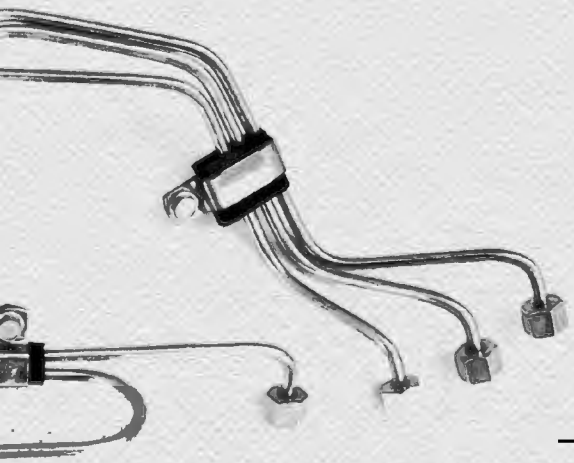


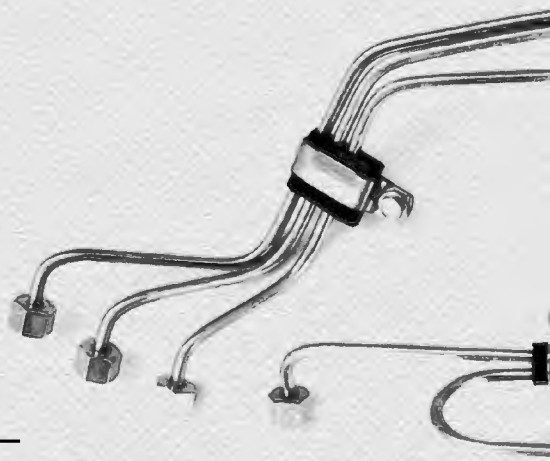


Gandhi Special Tubes Ltd.

35th Annual Report 2019-20







TÜV

ISO 9001:2008 & ISO/TS 16949:2009

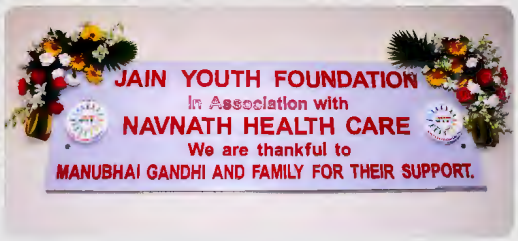
Certified Company

Social Welfare Activity









"The Jain Youth Foundation Dialysis Centre, situated at Takshshila Commercial Complex, Mulund West, consists of 16 new dialysis machines donated by Gandhi Special Tubes Ltd. The Centre is managed by Navnath Health Care and provides daily dialysis treatment to underprivileged patients at subsidized rates."

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GANDHI SPECIAL TUBES LIMITED

BOARD OF DIRECTORS	:	MR. MANHAR G. GANDHI Chairman & Managing Director MR. BHUPATRAI G. GANDHI Joint Managing Director MR. KAVAS N. WARDEN Director MR. DHARMEN B. SHAH Director MR. JAYESH M. GANDHI Director MS. BHAVI J. KORADIA Director
AUDIT COMMITTEE	:	MR. DHARMEN B. SHAH Chairman MR. KAVAS N. WARDEN Director MR. JAYESH M. GANDHI Director MS. BHAVI J. KORADIA Director
COMPANY SECRETARY	:	MR. JITENDRA DATTARAM KHADYE
CHIEF FINANCIAL OFFICER		MS. SHOBHANA RAJAN VARTAK
REGISTERED OFFICE	:	201-204, PLAZA, 2ND FLOOR 55 HUGHES ROAD, NEXT TO DHARAM PALACE MUMBAI 400007 Tel No: 23634179, 23634183, 23634789 complianceofficer@gandhitubes.com
WORKS	:	VILLAGE NURPURA TALUKA- HALOL, DIST: PANCHMAHAL GUJARAT – 389350
AUDITORS	:	SHASHIKANT J. SHAH & CO. CHARTERED ACCOUNTANTS
BANKERS	:	HDFC BANK LTD., MUMBAI
SECRETARIAL AUDITORS	:	DHOLAKIA & ASSOCIATES LLP COMPANY SECRETARIES
DETAILS OF STOCK EXCHANGE	:	COMPANY'S EQUITY SHARES ARE LISTED ON BSE LTD & NATIONAL STOCK EXCHANGE OF INDIA LTD

GANDHI SPECIAL TUBES LIMITED
10-YEARS FINANCIAL HIGHLIGHTS

(₹ Lakhs)

Particulars							IND AS			
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17 *	2017-18	2018-19	2019-20
Net Sales	9,017.40	10,652.93	9,593.96	8,352.55	9,189.77	9,117.37	**9,757.23**	**11,393.17**	**12,290.68**	**8,093.84**
Total Income	9,425.27	11,065.90	9,862.19	9,144.02	9,632.55	9,417.47	**10,712.94**	**12,217.66**	**13,061.55**	**8,664.96**
EBIDTA (Earning Before Dep, Interest & Tax)	4,214.87	4,620.26	3,509.83	3,407.02	2,774.79	2,991.27	**4,252.79**	**4,934.73**	**5,344.39**	**2,958.18**
Depreciation	471.27	452.69	433.68	493.66	495.03	470.58	**445.65**	**387.31**	**369.05**	**355.48**
Profit After Taxation	2,629.15	2,981.74	2,206.28	1,730.84	1,579.63	1,855.00	**3,080.63**	**3,356.51**	**3,863.13**	**2,137.28**
Equity Dividend (%)	100.00	120.00	120.00	120.00	150.00	150.00	**180.00**	**0.00**	**180.00**	**180.00**
Dividend Payout	734.93	881.92	881.92	881.92	1,102.40	1,102.40	**1,322.88**	**0.00**	**1,243.67**	**1,243.67**
Equity Share Capital	734.93	734.93	734.93	734.93	734.93	734.93	**734.93**	**690.93**	**690.93**	**645.93**
Reserves & Surplus	11,188.66	13,145.42	14,326.72	15,025.76	15,273.62	15,801.80	**18,029.08**	**17,032.43**	**19,413.90**	**14,011.25**
Net Worth	11,923.59	13,880.35	15,061.65	15,760.69	16,008.55	16,536.73	**18,764.01**	**17,723.36**	**20,104.83**	**14,657.18**
Gross Fixed Assets	8,741.90	8,915.72	10,957.77	12,670.83	12,897.51	13,014.98	**12,998.16**	**12,980.58**	**13,290.19**	**13,318.53**
Net Fixed Assets	3,789.25	3,553.49	5,195.71	6,415.11	6,274.00	5,901.42	**5,520.49**	**5,139.14**	**5,128.33**	**4,811.64**

Key Indicators

Particulars	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17 *	2017-18	2018-19	2019-20
Earning per share	17.89	20.29	15.01	11.78	10.75	12.62	**20.96**	**22.85**	**27.96**	**15.93**
Turnover per share - Rs.	61.35	72.48	65.27	56.83	62.52	62.03	**66.38**	**82.45**	**88.94**	**62.65**
Book Value per share	81.12	94.43	102.47	107.23	108.91	112.51	**127.66**	**128.26**	**145.49**	**113.46**
Debt/Equity Ratio	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**	**0.00**	**0.00**	**0.00**
Net Profit Margin %	29.16	27.99	23.00	20.72	17.19	20.35	**31.57**	**29.46**	**31.43**	**26.41**
EBDIT/ Net Sales %	46.74	43.37	36.58	40.79	30.19	32.81	**43.59**	**43.31**	**43.48**	**36.55**

* Figures are restated as per IND AS

FOR KIND ATTENTION OF SHAREHOLDERS:

DEMAT:- if you are still holding shares in physical mode kindly consider following advantages by opting shares in demat mode:-

- Sale of shares is possible only through demat mode as the Company's shares are traded compulsorily in demat mode only.
- Realize better price for transfer/sale of shares
- Eliminate loss of shares through burglary or theft, misplacement or mutilation
- Easy and faster transaction of shares
- Minimum brokerage.
- No stamp duty on purchase/sale
- SEBI (Securities and Exchange Board of India) has made it compulsory for listed company to entertain transfer of shares only in demat form.

Steps involved in dematerialization of shares

- Open an account with a Depository Participant (DP) of your choice.
- You may choose your DP based on your evaluation of their reputation, service standards, charges, comfort level, other conveniences, etc.
- Submit a Dematerialization Request Form (DRF) to your DP along with the defaced shares certificates.
- Shares will be converted into electronic form and will get credited into your demat account.

To understand about the procedure and for all queries relating to dematerialization, kindly contact the Registrar & Share Transfer Agent of the Company; M/s. KFin Technologies Private Limited Formerly known as M/s. Karvy Fintech Private Limited at kishore.bv@kfintech.com or at 040 67161585.

ECS:- To avoid loss of dividend warrants in transit and undue delay in receipt of dividend warrants, the Company has provided a facility to the Members for remittance of dividend through the Electronic Clearing System (ECS), NEFT and other permitted mode The ECS facility is available at locations identified by Reserve Bank of India from time to time and covers most of the cities and towns. Members holding shares in physical form and desirous of availing this facility are requested to contact the Company's Registrar and Share Transfer Agent.

GREEN INITIATIVE:- Please register your email ID with the Registrar and Share Transfer Agent of the Company or with the Secretarial department of the Company at complianceofficer@gandhitubes.com. Your initiative will save forest wealth of our Country.

ECS BANK MANDATES/PAN/AADHAR/MOBILE/EMAIL-ID

UPDATION REQUEST FORM

ECS helps to avoid any delay, loss in transit, pilferage and fraud.

To avail of this service, you are requested to furnish details of your Bank Account in the below Mandate Form and send the same to our Registrars. **Kfin Technologies Private Limited** to enable us to make arrangements for Electronic Credit of Dividend through the Bankers of the Company whenever such payments are due.

Kindly also note that if you have already furnished any mandate instructions of bank particulars for printing on the face of the Warrant, the same will stand cancelled and this ECS mandate will be taken on record, in case you opt for ECS.

The information should be complete, accurate in all respects and preferably certified by your Bank Manager. A blank cancelled cheque or a photocopy of a cheque issued by your bank relating to your above account should be attached to the ECS mandate form for verifying the accuracy of the code number.

The above said documents should be mailed to:

KFIN TECHNOLOGIES PRIVATE LIMITED,
UNIT:
SELENIUM TOWER-B,
6FH FLOOR, RIS DEPARTMENT,
PLOT NO.31 & 32,
FINANCIAL DISTRICT,
GACHIBOWLI,
HYDERABAD – 500 032.

The information provided by you will be kept confidential and will be used only for the purpose of crediting dividends.

Kindly note that this facility is optional. You are at liberty to opt for receipt of warrants directly, if you so desire.

ECS BANK MANDATES/PAN/AADHAR/MOBILE/EMAIL-ID

UPDATION REQUEST FORM

I/We……are holding ……. Shares against Folio No. …….. do hereby Authorize:

1. To credit my dividend amount directly to my/our Bank Account in accordance with RBI'S scheme. (strike out whichever is not applicable)

Particulars of Investor's Bank Account:

a. Bank Name : ……

b. Branch Name : ……

Bank Address : ……

……

……

c. 9 Digit Code number of the Bank & Branch name appearing on the MICR cheque

d. Account type (Savings/Current) & IFSC Code:

e. Account Number as appearing on the Cheque:

f. Bank's STD code & Telephone No.

Particulars of Investor's PAN/AADHAR/Mobile/E-Mail Details:

g. Mobile Number (Investor):

h. Email-ID (Investor):

i. PAN Number (Investor):

j. AADHAR Number (Investor):

We shall not hold the Company responsible it the ECS could not be implemented or the Bank discontinues the ECS, for any reason.

Signature of Share Holders

(To be signed by all the holders.)

Please attach the photocopy of a cheque or a blank cancelled cheque issued by your Bank, self attested PAN, AADHAR card, Email-ID & Mobile Number relating to your for verifying accuracy.

NOTICE OF THIRTY FIFTH ANNUAL GENERAL MEETING

NOTICE is hereby given that Thirty Fifth Annual General Meeting of the Members of **GANDHI SPECIAL TUBES LIMITED** will be held on TUESDAY, 22 SEPTEMBER, 2020 at 11.00 a.m. through VIDEO CONFERENCE ("VC") OR OTHER AUDIO VISUAL MEANS ("OAVM"), to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements for the year ended March 31, 2020 and the Reports of the Board of Directors and Auditors thereon for the Financial Year ended March 31, 2020.
2. To declare a Dividend on Equity Shares for the Financial Year ended March 31, 2020.
3. To appoint a Director in place of Shri. Bhupatrai Gandhi (DIN 00041273), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. To re-appoint Smt. Bhavi J. Koradia as an Independent Director and in this regard, pass the following resolution as a **Special Resolution:-**

   "RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (**"the Act"**) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Listing Regulations"**) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Smt. Bhavi J. Koradia (DIN: 07004836), who was appointed as an Independent Director and who holds office up to July 28, 2020 and who meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company with effect from July 29, 2020."

5. To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014,the remuneration of Rs 50,000/- (Rupees Fifty Thousand) for the Financial Year ending March 31, 2021 as approved by the Board of Directors of the Company payable to Shri. Dakshesh Zaveri, the Cost Accountant, having ICWAI Registration No. 8971 for conducting the Cost Audit of the Company be and is hereby ratified."

By Order of the Board of Directors

Jitendra D. Khadye
Company Secretary

Place: Mumbai
Date: August 12, 2020
Regd. Office:
201-204, Plaza, 2nd Floor,
55 Hughes Road,
Next to Dharam Palace,
Mumbai – 400 007
Tel: 022 – 23634179
Fax: 91-22-2363 4392
CIN: L27104MH1985PLC036004
Email: complianceofficer@gandhitubes.com
Website: www.gandhispecialtubes.com

NOTES:

APPOINTMENT OR REAPPOINTMENT OF DIRECTOR

1. In respect of resolution at item no 3, a statement giving additional information on director seeking re-appointment is annexed herewith as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

SPECIAL BUSINESS AND EXPLANATORY STATEMENT

2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013,(Act) relating to Special Business to be transacted at the Annual General Meeting (the "AGM" or "Meeting"), is annexed hereto.

3. As per the provisions of Clause 3.A.II. of the General Circular No. 20/ 2020 dated 5th May 2020, the matters of Special Business as appearing at Item No. 4 of the accompanying Notice, is considered to be unavoidable by the Board and hence, forms part of this Notice.

MEMBER'S ENTITLEMENT TO ATTEND MEETING VIA VIDEO CONFERENCE

4. i. In view of the Covid-19 pandemic and the need for ensuring social distancing, the Government of India, Ministry of Corporate Affairs ("MCA") allowed conducting Annual General Meeting through Video Conferencing or other audio-visual means (OAVM) without the physical presence of Members at a common venue. Accordingly, MCA issued Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 ("MCA Circulars"), prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM. Securities and Exchange Board of India ("SEBI") also vide its Circular dated May 12, 2020 ("SEBI Circular"), permitted holding of Annual General Meetings through VC/OAVM. In compliance with the applicable provisions of the Companies Act, 2013, MCA Circulars and applicable provisions of the SEBI Circular, the 35th Annual General Meeting (AGM) of the Members will be held through VC/ OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. The venue of the Meeting shall be deemed to be the registered office of the Company.

ii. The Helpline number regarding any queries/assistance for participation in the AGM through VC/OAVM is 1800-345-4001

iii. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.

iv. The Notice of AGM and Annual Report are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s). Members (Physical/Demat) who have not registered their email addresses with the Company can get the same registered with the company by requesting in member updation form by sending an email at einward.ris@kfintech.com or evoting@kfintech.com. Please submit duly filled and signed member updation form to the abovementioned email. Upon Verification of the Form the email will be registered with the Company.

5. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS NOT ENTITLED TO APPOINT A PROXY TO ATTEND ANNUAL GENERAL MEETING SINCE THE ANNUAL GENERAL MEETING IS GOING TO BE HELD THROUGH VIDEO CONFERENCING OR OTHER AUDIO-VISUAL MEANS (OAVM).

a) Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is not entitled to appoint a proxy to attend and vote on his/her behalf as the general meeting is held through video conference. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

b) Members are requested to participate on first come first serve basis, as participation through video conferencing is limited and will be closed on expiry of 15 minutes from the schedule time of the AGM. However, the participation of members holding 2% or more, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first serve basis. Members can login and join 15(fifteen) minutes prior to the schedule time of meeting and window for joining shall be kept open till expiry of 15(fifteen) minutes after the schedule time. Participation is restricted upto 2000 members only.

c) Members attending the Meeting through VC/OAVM will be counted for the purposes of reckoning of Quorum under Section 103 of the Companies Act, 2013.

d) In line with the MCA Circulars and the SEBI Circular, the Notice calling the AGM has been uploaded on the website of the Company at www.gandhispecialtubes.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and is also available on the website of M/s. KFin Technologies Private Limited at https://evoting.kfintech.com.

INSTITUTIONAL INVESTORS/CORPORATE MEMBER

6. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Corporate Members intending to appoint their Authorized Representatives to attend the AGM through VC/OAVM and to Vote thereat through Remote e-Voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at info@dholakia-associates.com. with a copy marked to einward.ris@kfintech.com or evoting@kfintech.com. Or complianceofficer@gandhitubes.com,

JOINT HOLDERS

7. In case of joint holder attending the Meeting through VC/OAVM, only such joint holder who is higher in the order of names will be entitled to vote.

RECORD DATE

8. In view of the discontinuation of the physical transfer of shares there will not be any Book Closure but the Company has fixed the Record Date as Friday, the 11th September, 2020 (close of the business hours).

DIVIDEND AND ITS PAYMENT

9. Subject to the provisions of the Act, dividend as recommended by the Board, if declared at the meeting, payment of such dividend subject to deduction of tax at source will be paid within a period of 30 days from the date of declaration, to those members whose names appear on the Register of Members as of the close of the business hours on **Friday, September 11, 2020.**

10. In case of Dematerialized Shares, the Company is obliged to print Bank details on the dividend warrants, as are furnished by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) ("the Depositories") to the Company. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company or its Registrars for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised by the members only to their Depository Participant.

11. Pursuant to Regulation 12 read with Schedule I of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 it is mandatory to print the bank account details of the investors on Dividend Warrant Instrument. Hence, in order to avoid incidents of fraudulent encashment of the Dividend warrants, Members holding shares in physical form are requested to intimate the RTA of the Company, under the signatures of the sole/first joint holder, the following information so that the Bank Account number and name and address of the Bank can be printed on the dividend warrant, if and when issued:

(a) Name of the sole/first joint holder and folio number.
(b) Particulars of Bank Account viz:
  (i) Name of Bank;
  (ii) Name of branch;
  (iii) Complete address of the Bank with pin code number;
  (iv) Account type, whether Savings or Current;
  (v) Bank account number allotted by the Bank
  (vi) 9 Digits MICR No.

TAXATION ON CURRENT DIVIDEND

12. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ M/s. KFin Technologies Private Limited (in case of shares held in physical mode) and with the depositories/ Depository Participants (in case of shares held in demat mode).

    For Resident Shareholders, who have provided PAN, taxes shall be deducted at source under Section 194 of the Income Tax Act, 1961 at 7.5% on the amount of dividend. If no PAN is provided, then the tax shall be deducted at source at 20% as per Section 206AA of the Act. No tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by the resident shareholders during Financial Year 2020-21 does not exceed Rs.5,000. In cases where the shareholder provides Form No. 15G /Form No. 15H and provided that all the required eligibility conditions are met, no tax will be deducted at source.

Apart from above cases following categories of shareholders are exempt from tax deduction at source:

(a) Life Insurance Corporation of India [clause (a) to 2nd proviso to section 194]

(b) General Insurance Corporation of India/ The New India Assurance Company Ltd / United India Insurance Company Ltd/ The Oriental Insurance Company Limited / National Insurance Company Ltd [clause (b) to 2nd proviso to section 194]

(c) Any other insurer in respect of any shares owned by it or in which it has full beneficial interest [clause (c) to 2nd proviso to section 194]

The following payees are also not subject to TDS in view of the provisions of sections 196, 197A of the Act and CBDT notification:

(a) Government [section 196(i)]

(b) Reserve Bank of India [section 196(ii)]

(c) a corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income-tax on its income [section 196(iii)]

(d) Mutual Fund [section 196(iv)]

(e) Any person for, or on behalf of, the New Pension System Trust referred to in section 10(44) [subsection 1E to section 197A]

(f) Category I or a Category II Alternative Investment Fund (registered with SEBI as per section 115UB) as per Notification 51/2015 since their income, other than profits and gains of business and profession.

For Foreign Portfolio Investor (FPI) category Shareholders, taxes shall be deducted at source under Section 196D of the Income Tax Act, 1961 at 20% (plus applicable surcharge and cess) on the amount of dividend payable.

For other Non-resident Shareholders, taxes are required to be deducted in accordance with the provisions of Section 195 of the Income tax Act, 1961, at the rates in force. As per the relevant provisions of the Income tax Act, 1961, the tax shall be deducted at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to them. However, as per Section 90(2) of the Income tax Act, 1961, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the shareholder, if they are more beneficial to them. To avail benefit of rate of deduction of tax at source under DTAA, such non-resident shareholders will have to provide the following:

1. Self-attested copy of the PAN allotted by the Indian Income Tax authorities;

2. Tax residency certificate from the jurisdictional tax authorities confirming residential status [for the dividend declared in FY 2020-21] – TRC

3. Declaration by the non- resident in prescribed Form No. 10F

4. Self-declaration by the non-resident shareholder as to:
   - Eligibility to claim tax treaty benefits based on the tax residential status of the shareholder, including having regard to the Principal Purpose Test (if any), introduced in the applicable tax treaty with India;
   - No Permanent Establishment / fixed base in India in accordance with the applicable tax treaty;
   - Shareholder being the beneficial owner of the dividend income to be received on the equity shares.

13. In order to enable us to determine the appropriate tax rate at which tax has to be deducted at source under the respective provisions of the Income Tax Act, 1961, we request you to upload the abovementioned details and documents in the format provided by us and as applicable to you on the link **https://ris.KFintech.com/form15/** by **05:00 p.m.** IST on Friday, September 11, 2020.

    Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non- Resident shareholder.

14. Members holding shares in physical form are requested to notify immediately any change in their address/mandate/bank details to the Company or to the office of the Registrar & Share Transfer Agent, M/s. KFin Technologies Private Limited, quoting their folio number. The Members updation form forms a part of the Annual Report and is available on the Website of the Company.

INVESTOR EDUCATION AND PROTECTION MATTER—UNCLAIMED DIVIDEND AND SHARES

15. Members who have not encashed their dividends warrants for Financial Year 2013-2014 or any subsequent years are requested to write to the Company immediately but not later than February, 2021 claiming dividends declared by the Company for the said period **(Proforma of Indemnity Bond for Duplicate Dividend Warrant is available** under “Investor Section” on the website of the Company viz. www.gandhispecialtubes.com).

16. Members are requested to note that the Interim Dividend for the year ended March 31, 2014 declared on January 28, 2014 and which remained unpaid or unclaimed is due to be transferred to IEPF in March, 2021 pursuant to Section 125 of the Companies Act, 2013 and the rules made thereunder.

17. Pursuant to the provisions of Section 124 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, unclaimed dividend amount of Rs. 16,15,770/- (Sixteen Lakh Fifteen Thousand Seven Hundred and Seventy Only) of the Company for the financial year ended March 31, 2013 has been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government on June 27, 2020 pursuant to Section 125 of the Companies Act, 2013.

18. Pursuant to Rule 5 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the company has uploaded the information in respect of the Unclaimed Dividends in respect of the Financial years 2012-2013 to 2017-2018 on the website of the IEPF viz. www.iepf.gov.in and under "Investor Section" on the website of the Company viz. www.gandhispecialtubes.com The objective of the IEPF Rules is to help the shareholders ascertain Status of the unclaimed amounts and thus overcome their problem.

19. Compulsory transfer of Equity Shares to Investor Education and Protection Fund (IEPF) Account:

    Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, ("Rules") as amended, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to an IEPF Account after complying with the procedure laid down under the "Rules". However, due to Covid-19 pandemic the Ministry of Corporate Affairs vide its General Circular No. 11/2020 dated March 24,2020 have granted relaxation for filing of Form IEPF-4 i.e. Statement of Shares Transferred to IEPF upto September 30,2020

    Accordingly, the company is in process of transferring Shares to IEPF Account maintained with NSDL, taking the year 2012-13 as base. Once the shares are transferred to IEPF Authority, Company will upload the same under "Investor Section" on the Website of the Company viz. www.gandhispecialtubes.com.

    The said details will also be uploaded on the website of the IEPF and the same can be accessed through the link: www.iepf.gov.in

HOLDING IN PHYSICAL FORM

20. Pursuant to Section 72 of the Companies Act, 2013, Members holding shares in physical form may file nomination in the prescribed Form No. SH-13 with the Company's Registrar and Share Transfer Agent. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant. Form No. SH-13 is available under "Investor Section" on the website of the Company viz. www.gandhispecialtubes.com;

21. As per Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form so as to be able to freely transfer them and participate in corporate actions such as buyback. Members can contact the Company or Company's Registrar and Share Transfer Agent, M/s. KFin Technologies Private Limited for assistance in this regard.

SERVICE OF ANNUAL REPORTS

22. The Annual Report duly circulated to the Members of the Company via e-mail, is available on the Company's Website at www.gandhispecialtubes.com and on the website of M/s. KFin Technologies Private Limited at https://evoting.kfintech.com.

23. Pursuant to Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Sections 101 and 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail addresses either with the Company or with the Depository. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.

24. Considering the difficulties caused due to the Covid-19 pandemic, MCA and SEBI have dispensed with the requirement of printing and sending physical copies of the Annual Report and the Notice of this Meeting and the Annual Reports will be sent via email to all those members who have registered their email ids with the Company or the Registrar and Transfer Agent or the Depositories or the Depository Participants as on Tuesday, September 01, 2020.

Those Members who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:

1. Those Members who have registered/not registered their e-mail address and mobile number including address and bank details may please contact and validate/update their details with the Depository Participant in case of shares held in electronic form and with Registrar and Share Transfer Agent M/s. KFin Technologies Private Ltd in case the shares are held in physical form.

2. Members may also visit the website of the Company www.gandhispecialtubes.com or the website of M/s. KFin Technologies Private Limited at https://evoting.kfintech.com for downloading the Annual Report and Notice of the AGM.

3. Alternatively, Members may send an e-mail request to the email id einward.ris@kfintech.com along with scanned copy of the signed request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio.

4. Members who have already registered their email addresses are requested to get their email addresses validated with their Depository Participants / the Company's Registrar and Share Transfer Agent, M/s. KFin Technologies Private Limited to enable servicing of notices / documents / Annual Reports electronically to their email address.

ATTENDANCE AT AGM THROUGH VIDEO CONFERENCING

25. The details of the process and the manner for participating in Annual General Meeting through Video Conferencing are explained herein below:

a) Members will be provided with a facility to attend the Meeting through VC/OAVM through NSDL e-Voting system. Members may access the same at 'https://evoting.kfintech.com' under shareholders/members login by using the remote e-voting credentials. The Link for VC/OAVM will be available in shareholder/members login where the EVENT of Company will be displayed.

b) Please note that the members who do not have the USER ID and PASSWORD for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-voting system of NSDL.

c) Members can participate in AGM through smart phone/laptop/Computer with Webcam/Tablets, however for better experience and smooth participation it is advisable to join Meeting through Laptops connected through broadband.

d) Further members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

e) Please note that Participants Connecting from Mobile Devices or Tablets or Computers with Webcam or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

f) For ease of conduct, members who would like to ask questions /express their views may send their questions in advance atleast one (1) day before AGM mentioning their name, demat account number/folio number, email id, mobile number at complianceofficer@gandhitubes.com or einward.ris@kfintech.com. The same will be replied by the company suitably.

MEMBERS TO KNOW OR DO

26. The Company's Equity Shares are listed at (i) BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001; and (ii) National Stock Exchange of India Limited, Exchange Plaza, Floor 5, Plot No. C/1, Bandra (East), Mumbai- 400051.

27. Members are requested to send all communication relating to shares (Physical and Electronic) to the Company's Registrar and Share Transfer Agent at M/s. KFin Technologies Private Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, Telangana State, India.

28. The Company does not give gifts, gift coupons or cash in lieu of gifts to its Members. The Company also does not organize any plant visits for its Members. However, the Company is committed to the Members' wealth maximization through superior performance reflected in corporate benefits like dividend and increased market capitalization.

29. Shareholders can register their complaints, if any, on an exclusive e-mail id complianceofficer@gandhitubes.com which has been designated for the said purpose.

30. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.

31. In terms of the MCA Circulars and in the view of the Board of Directors, all matters included in this Notice are unavoidable and hence are proposed for seeking approval at this AGM. All documents referred to in the accompanying Notice and the Explanatory Statement have been uploaded on the website of the Company at www.gandhispecialtubes.com. All shareholders will be able inspect all documents referred to in the Notice electronically without any fee from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to complianceofficer@gandhitubes.com.

32. The Registers of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Registrar of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection under Section 139 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to complianceofficer@gandhitubes.com.

33. Member who is desirous of getting any information as regard to the business to be transacted at the meeting are requested to write to the Company their queries at least seven days in advance of the Meeting in order to keep the required information readily available at the Meeting.

34. The SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agent.

35. Voting through electronic means

1. Pursuant to the provisions of section 108 of the Companies Act, 2013 read with, Rule 20 of Companies (Management and Administration) Rules, 2014 (amended from time to time) and sub-regulation (1) & (2) of Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide Members facility to exercise their right to vote by electronic means (remote e-voting) and the business may be transacted through remote e-voting services provided by M/s. KFin Technologies Private Limited.

Procedure / Instructions for remote e-voting are as under

i) Open your web browser during the voting period and navigate to https://evoting.kfintech.com'
ii) Enter your Login Credentials (i.e., User-ID & Password) which will be sent to you separately.

Your Folio No. / DP-ID & Client-ID will be your User-ID. (Please refer below table for specifications & instructions).

User – ID	***For Members holding shares in Demat Form:*** a) For NSDL: 8 Character DP ID followed by 8 Digits Client ID. b) For CDSL: 16 digits beneficiary ID. ***For Members holding shares in Physical Form:*** Event Number followed by Folio Number registered with the Company.
Password	Your Unique password will be sent to you separately by courier / via email forwarded through the electronic notice.
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

iii) Please contact our toll free No. **1-800-34-54-001** for any further clarifications.

iv) Members can cast their vote online as mentioned below period & time:

E-Voting Starts	Friday, September 18, 2020	9:00 A.M.
E-Voting Ends	Monday, September 21, 2020	5:00 P.M.

v) After entering these details appropriately, click on "LOGIN".

Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through **M/s. KFin Technologies Private Limited e-voting platform.** System will prompt you to change your password and update any contact details like mobile number, email ID etc on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

vi) You need to login again with the new credentials.

vii) On successful login, system will prompt to select the 'Event' i.e., **'Company Name'.**

viii) If you are holding shares in Demat form and had logged on to "https://evoting.kfintech.com" to cast your vote earlier for any company, then your existing login id and password are to be used.

ix) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder does not want to cast his/her vote may select 'ABSTAIN'.

x) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL "and accordingly modify your vote.

xi) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.

Corporate/Institutional Members (corporate /FIs/FIIs/Trust/Mutual Funds/Banks, etc.) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to info@dholakia-associates.com with a copy to evoting@kfintech.com. The file scanned image of the Board Resolution should be in the naming format "Corporate Name_ Event no."

OTHER INSTRUCTIONS

I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of "https://evoting.kfintech.com". If you are already registered with M/s.Kfin Technologies Private Limited for e-voting then you can use your existing USER ID AND PASSWORD/PIN for casting your vote.

II. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

III. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, September 11, 2020 are entitled to vote on the Resolutions set forth in this Notice by way of remote e-voting and poll.

IV. The remote e-voting period will commence at from 9.00 a.m. on **Friday, September 18, 2020** and will end at 5.00 p.m. on **Monday, September 21, 2020.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **Friday, September 11, 2020,** may cast their vote electronically. The remote e-voting module shall be disabled by M/s. Kfin Technologies Private Limited for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

V. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date for both remote e-voting and poll.

VI. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date may obtain the login ID and password by sending an email to complianceofficer@gandhitubes.com or evoting@kfintech.com by mentioning their Folio No./DP ID and Client ID No. However, if you are already registered with M/s. Kfin Technologies Private Limited for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forget User Details/Password" option available on https://evoting.kfintech.com.

VII. A member may participate at the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting.

VIII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting.

IX. Mr. Bhumitra V. Dholakia or in his absence Mr. Nrupang B. Dholakia, Practicing Company Secretaries of Dholakia & Associates LLP has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

X. The Scrutinizer shall, immediately after the conclusion of voting at general meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall not later than 48 hours of conclusion of the meeting submit a consolidated scrutinizer report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing.

XI. The results along with the Scrutinizers Report shall be placed on the website of the Company and on the website of M/s. Kfin Technologies Private Limited and shall be communicated to BSE Limited and National Stock Exchange of India.

ANNEXURE

As required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and SS-2 Secretarial Standards on General Meeting brief profile of the Directors retiring by rotation /seeking appointment/ re-appointment at the ensuing Annual General Meeting, is given below:

SHRI BHUPATRAI GANDHI

Name of the Director	Shri. Bhupatrai Gandhi
Date of Birth	16.11.1939
Date of Appointment	22.04.1985
Qualification	B.COM
Experience in specific functional areas	Shri. Bhupatrai Gandhi has more than 55 years of experience in Tube Industries
Directorships in other Companies	None
Chairman/ Member of the Committees of the Board of Directors of the Company	Member of Stakeholders Relationship Committee
Chairman/Member of the Committees of the Board of Directors of the other Companies in which he is a Director	None
No. of Shares held in the Company	17,07,686 Equity Shares of Rs. 5/-each.
Inter-se Relationship between Directors	Brother of Shri. Manhar Gandhi, Chairman & Managing Director
Director Identification Number	00041273

By Order of the Board of Directors

JITENDRA D. KHADYE
COMPANY SECRETARY

Place: Mumbai
Date: August 12, 2020

Regd. Office:
201-204, Plaza, 2nd Floor,
55 Hughes Road,
Next to Dharam Palace,
Mumbai – 400 007
Tel: 022 – 23634179
Fax: 91-22-2363 4392
CIN: L27104MH1985PLC036004
Email: complianceofficer@gandhitubes.com
Website: www.gandhispecialtubes.com

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT")

The following Statement sets out all material facts relating to the Special Business mentioned in the Notice:

Item No. 5

The Board, on the recommendation of the Audit Committee, has approved the appointment and payment of remuneration to the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2021.

In terms of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board, has to be ratified by the members of the Company. Accordingly, approved by the members is sought to the remuneration payable to the Cost Auditors for the financial year ending March 31, 2021 by passing an Ordinary Resolution as set out at Item No. 5 of the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board re-commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

By Order of the Board of Directors

JITENDRA D. KHADYE
COMPANY SECRETARY

Place: Mumbai
Date: August 12, 2020

Regd. Office:
201-204, Plaza, 2nd Floor,
55 Hughes Road,
Next to Dharam Palace,
Mumbai – 400 007
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Fax: 91-22-2363 4392
CIN: L27104MH1985PLC036004
Email: complianceofficer@gandhitubes.com
Website: www.gandhispecialtubes.com

BOARD'S REPORT

Dear Members,

Directors are pleased to present their Thirty Fifth Annual Report on the business and operations of your Company along with the Audited Financial Statements for the financial year ended on March 31, 2020.

1. FINANCIAL RESULTS

The Company's financial performance for the year ended March 31, 2020 is summarized below:

Particulars	For the year ended 31.03.2020 (Rs in Lakhs)	For the year ended 31.03.2019 (Rs. in Lakhs)
Revenue from operations	**8,093.84**	12,290.68
Other Income	**571.12**	770.87
Total Revenue	**8,664.96**	13,061.55
Profit before Tax	**2,602.70**	4,975.34
Less: Tax Expenses		
Current Tax	**662.00**	1068.25
Deferred Tax	**(196.58)**	43.96
Profit for the year	**2,137.28**	3,863.13
Dividend paid	**1,243.67**	1,243.67
Corporate Dividend Tax paid	**255.64**	255.64
Buy Back Of Shares	**4950.00**	----
Tax on Buy Back of Shares	**1142.67**	----
Earnings Per Share of Rs. 5/-	**15.93**	27.96

2. RESERVES

Your Company has utilised the Retained Earnings of Rs. 6092.67 Lakhs (including Buy Back Tax of Rs. 1142.67) for the purpose of buy back of 9,00,000 fully paid equity shares at a price of Rs. 550/- per Equity Share during the year under report.

3. PERFORMANCE AND AFFAIRS OF THE COMPANY

During the year under review, the Company recorded gross sales of Rs.8,093.84 lakhs. (Previous Year Rs. 12,290.68 lakhs) registering contraction of 34.15%. The Company's profit after tax was Rs. 2,137.28 lakhs (Previous Year Rs. 3,863.13 lakhs) registering contraction of 44.68%.

The performance of the Company has been discussed in the Management Discussion and Analysis Report, which is forming part of the Annual Report.

4. DIVIDEND

Your Directors are pleased to recommend a dividend of 180% i.e. Rs. 9/- per equity share, out of Free reserves, for the Financial Year ended March 31, 2020 subject to necessary approval by the Shareholders at the ensuing Annual General Meeting of the Company to be held on September 22, 2020. The total dividend recommended for the current year 2019-2020 is Rs. 1162.68 lakhs. Payment of Dividend will be made to the members whose names appear in Register as on September 11, 2020. This Dividend will be subject to Income Tax in the hands of the Shareholders and also subject to Deduction of Tax at Source as per the provisions of Income Tax Act, 1961.

5. BUYBACK OF SHARES

During the financial year 2019-2020, the Company was successful in buying back 9,00,000 fully paid equity shares offered to the shareholders through tender offer at a price of Rs. 550/- per Equity Share representing up to 6.51% of total number of Equity Shares for an aggregate amount Rs.49,50,00,000/- (Rupees Forty Nine Crores Fifty Lakhs only). The Buyback process was completed and the shares so bought back were extinguished on October 24, 2019. Post buyback of shares, the paid up equity capital got reduced by Rs. 45 Lakhs to Rs. 645.93 Lakhs.

6. IMPACT OF COVID-19 ON BUSINESS OF THE COMPANY

Government of India announced lockdown in the last week of financial year 2019-2020 in view of outbreak of Covid-19 pandemic. Hence operations of the company were closed from 23rd March, 2020.

The rampant spread of COVID-19, across borders and geographies, has severely impacted almost the whole world and triggered significant downside risks to the overall global economic outlook. Operations were partially started with effect from 6th May, 2020 with limited workers/staff. The Company has adopted work from home policy for office/factory staff during the lockdown period wherever feasible.

Lockdown phase 5 effective from 01st June, 2020 has given additional relaxations, which has enabled the company to further increase the production, supply chain and distribution.

7. CURRENT BUSINESS STATUS

Though it is difficult to predict any demand scenario for the immediate short term, we expect the Tractor demand to show good improvement on the back of several positive factors such as record Rabi production, higher Government procurement, announcement of higher MSPs leading to better realization to the farmers and outlook of a normal monsoon aiding sentiments for a good Kharif crop. The performance and outlook of the Company has been discussed in the Management Discussion and Analysis Report, which is forming part of the Annual Report.

8. CHANGES IN NATURE OF BUSINESS AND REVISION IN THE BOARD'S REPORT

There is no change in the nature of business of the Company during the year. There is no revision made in the Board's Report and whatever submitted herewith is the final report.

9. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

Your Company does not have any subsidiary, associate and joint venture Company.

10. CORPORATE GOVERNANCE

Pursuant to Regulation 27(2) and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Corporate Governance Report and Certificate regarding compliance of conditions of Corporate Governance form an integral part of this report and are set out as separate Annexure to this Report. In order to obviate duplication of information some of the information required under the Board's Report has been captured in the Corporate Governance Report.

11. BUSINESS RESPONSIBILITY REPORT

Regulation 34(2) of the SEBI Listing Regulations, 2015, as amended, inter alia, provides that the annual report of the top 1000 listed entities based on market capitalisation (calculated as on 31st March of every financial year), shall include a Business Responsibility Report.

Business Responsibility Report has been hosted on the Company's website www.gandhispecialtubes.com

12. PUBLIC DEPOSITS

Your Company has not accepted any deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

13. DIRECTORS AND KEY MANAGERIAL PERSONNEL

(i) Directors

We are sad to inform you that Shri. Dhirajlal Shah, Chairman of Audit Committee expired on January 10, 2020. Shri. Dhirajlal Shah, by profession a Chartered Accountant, was associated with the Company since its Initial Public Offering (IPO). His counselling and contribution at the meetings of the Board and Committee were very useful and has helped the Company to remain on the sound footing. The Board and Audit Committee have placed on record their sincere and deep appreciation for the guidance and advice during his long tenure.

Shri. Bhupatrai Gandhi (DIN 00041273), Director will retire by rotation and being eligible and not being disqualified under section 164 of the Companies Act, 2013, offers himself for re-appointment.

Smt. Bhavi Koradia was re-appointed as Independent Directors for a second term of 5 years at the Board Meeting held on June 29, 2020 which is placed for the approval of the Shareholders in the Annual General Meeting to be held on September 22, 2020.

Apart from the above, there is no change in the composition of the Board of Directors.

(ii) Key Managerial Personnel

During the year under review, Smt. Jeegeesha Shroff resigned as Company Secretary and Compliance Officer of the Company w.e.f. February 10, 2020 and Shri. Jitendra Khadye was elevated from the post of Assistant Company Secretary to Company Secretary and Compliance Officer of the Company w.e.f. June 29, 2020.

(iii) Declaration by an Independent Director(s)

The Company has received all the necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) and Regulation 25 of the Listing Regulations.

(iv) Annual Evaluation of the Board

In compliance with the provisions of Section 134 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance and that of its Directors. A structured questionnaire was prepared after taking into consideration inputs received from the Directors and also as per the Guidance Notes issued by SEBI vide its Circular No: SEBI/HO/CFD/CMD/CIR/P/2017/004 dated January 5th, 2017 covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

All the independent Directors have registered themselves with the Indian Institute of Corporate Governance (IICA) through MCA Portal. None of the Independent Directors except Smt. Bhavi Koradia is required to pass an online proficiency self-assessment test conducted by the Institute within a period of one year from the date of inclusion of her name in the data bank of the Institute i.e. on or before February 12,2021.

14. BOARD AND COMMITTEES

During the year, four (4) Board Meetings were convened and held, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between two meetings was less than the period prescribed under the Companies, 2013, Secretarial Standard-1 on Board Meetings and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of the Audit Committee, Stakeholder Relationship, Nomination and Remuneration Committee and Corporate Social Responsibility Committee have been given in the Report on the Corporate Governance. Recommendations made by the Audit Committee have been accepted by the Board without any modification.

15. DIRECTOR'S RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by your Directors they make the following statements under section 134(5) in terms of Section 134(3)(c) of the Companies Act, 2013 and hereby confirm that:-

a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b. the directors have selected such accounting policies and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for the year ended on that date;

c. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the annual accounts have been prepared on a going concern basis;

e. the directors have laid down proper systems financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

f. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. NOMINATION AND REMUNERATION COMMITTEE

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees. The text of the policy is available on the website of the Company www.gandhispecialtubes.com. There has been no change in the policy during the year.

17. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal and unethical behaviour.

The Board of Directors of the Company have, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

18. RISK MANAGEMENT POLICY

The Company has designed Risk Management System to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to its business and corporate functions. At present there is no identifiable risk which, in the opinion, of the Board may threaten the existence of the Company.

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in **"Annexure A"** which forms part of this Report.

20. INTERNAL CONTROL SYSTEMS

The details in respect of internal control system and their adequacy are included in the Management Discussion and Analysis, which is a part of this report.

21. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has an adequate system for internal financial controls which commensurate with its size and nature of business. Detailed procedures are in place to ensure that all assets are safeguarded and protected against losses, all transactions authorized, recorded and appropriately reported.

22. EXTRACT OF ANNUAL RETURN

As per the requirements of Section 92(3) read with Section 134(3)(a) of the Act and Rules framed thereunder, the extract of the annual return for FY 2019-20 in the prescribed Form No. MGT-9, being a part of this report is annexed as "**Annexure B"** to this report and the same has been hosted on the website of the Company and can be viewed at www.gandhispecialtubes.com.

23. CORPORATE SOCIAL RESPONSIBILITY

In accordance with the provisions of Section 135 of Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has formulated and posted the Corporate Social Responsibility Policy on website of the company viz; www.gandhispecialtubes.com.

The Annual Report on CSR in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, for the year 2019-2020 is annexed as '**Annexure C**' to the Board's Report.

24. AUDITORS

(ii) STATUTORY AUDITOR

The Statutory Auditors of your Company namely, M/s. Shashikant J. Shah & Co., Chartered Accountants were appointed for a period of 5 years at the Annual General Meeting held on July 12, 2017 and will continue to hold office till the conclusion of the 37th Annual General Meeting to be held in the year 2022. The Statutory Auditors has confirmed their eligibility and submitted the Certificate in writing that they are not disqualified to hold the office of the Statutory Auditor.

The Audit Report does not contain any qualification, reservation or adverse remark. There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

(ii) SECRETARIAL AUDITOR

Pursuant to provisions of section 204 of the Act and the rules framed there under, the Board has appointed M/s. Dholakia & Associates LLP, Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2019-2020. The Secretarial Audit Report in Form MR-3 is annexed herewith as **"Annexure D".**

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

(iii) COST AUDITOR

The Board has appointed Shri. Dakshesh Zaveri as the Cost Auditor for the year 2020-2021 pursuant to the provisions of Section 148(3) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2015 at a remuneration of Rs. 50,000/- (Rupees Fifty Thousand only) which is subject to the ratification by members in the ensuing Annual General Meeting.

25. SECRETARIAL STANDARDS

It is hereby confirmed that the Company has complied with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

26. HUMAN RESOURCES

Employees are considered to be team members being one of the most critical resources in the business which maximize the effectiveness of the Organization. Human resources build the enterprise and the sense of belonging would inculcate the spirit of dedication and loyalty amongst them towards strengthening the Company's Polices and Systems. The Company maintains healthy, cordial and harmonious relations with all personnel and thereby enhancing the contributory value of the Human Resources.

27. ENVIRONMENT AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. Due to widespread of COVID-19 pandemic company decided to adopt work from home policy for work related to office and in factory. The Company has adopted policy as per guidelines issued by the Government. The Company conducts operations in such a manner, so as to ensure safety of all concerned, compliance environmental regulations and preservation of natural resources. There was no accident during the year.

28. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE FINANCIAL YEAR END OF THE COMPANY TO WHICH FINANCIAL RESULTS RELATES

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

29. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES

The Company has not taken any loan during the year. The details of Guarantees, Investments and Securities as covered under the provisions of section 186 of the Companies Act, 2013 are given in the notes No. 4, 7 and 31 of the Financial Statements which form part of the Annual Report.

30. PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business. Thus disclosure in form AOC-2 is not required as such Related Party Transactions are not material. However, the details have been furnished in the Notes No. 36 to the financial statement which should be treated as part of this Board's Report.

All Related Party Transactions are placed before the Audit Committee as also to the Board for approval at every quarterly meeting.

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company. The web-link of the same has been provided in the Corporate Governance Report.

31. DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014.

There were no employees except the Managing Director and Joint Managing Director of the Company drawing remuneration of Rs.1.02 crores or more per annum or Rs.8.5 lakhs or more per month during the year under review. Both the Managing Director and Joint Managing Director are related to each other and they are promoters of the Company.

Their appointment is contractual as approved by the Board and members of the Company.

The information relating to ratio of the remuneration of each director to the median employee's remuneration and such other prescribed details as required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended March 31, 2020 is provided in a separate "**Annexure E"** forming part of this Report.

Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company, 21 days before the Annual General Meeting and up to the date of the Annual General Meeting during the business hours on working days. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

32. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013.

The Company has set up an Internal Complaints Committee (ICC) for providing a Redressal mechanism pertaining to sexual harassment of women employees at workplace in Mumbai and at Halol, Gujrat. There was no complaint received during the year under review.

33. GENERAL DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of shares with differential rights.
2. Issue of sweat equity shares.
3. There is no Employees Stock Option Scheme.
4. There were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.
5. No orders have been passed by any Regulator or Court or Tribunal which can have an impact on the going concern status and the Company's operations in future.
6. The Company has also disclosed the impact of COVID-19 on business to Bombay Stock Exchange and National Stock Exchange.

34. ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their sincere appreciation for the excellent support provided by Bankers, Government authorities, all stakeholders and business associates. The Board also express its sincere appreciation and support extended by the Shareholders during the year under review and also acknowledges the dedicated efforts put in by the employees at all levels.

For and On behalf of the Board of Directors

Manhar G. Gandhi
Chairman & Managing Director
DIN: 00041190

Place: Mumbai
Date: August 12, 2020

"ANNEXURE A"

ANNEXURE TO BOARD'S REPORT

PARTICULARS REQUIRED PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS), RULES 2014 FOR THE YEAR ENDED ON MARCH 31, 2020.

I. Conservation of Energy

1. Energy conservation measures taken :

   (i) Optimum utilisation of Furnace.

   (ii) Lighting inside the Plant & in compound areas has been changed to LED

2. Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

   The Company has installed a Roof Top Solar Plant with a capacity of 0.675 MW at its factory situated in Halol, Gujarat.

3. Impact of the measures at (1) and (2) above for reduction of energy consumption and consequent impact on cost of production of goods: Above measures have resulted in substantial energy saving.

A. POWER AND FUEL CONSUMPTION

Particulars		**2019-2020**	**2018-2019**
Electricity Purchased			
Units Purchased	Lakhs KWH	43.77	59.80
Total Amount	Rs. Lakhs	365.19	459.76
Average Rate / KWH	Rupees	8.34	7.69
GSPC Gas Consumed			
Quantity Consumed	SCM	1171293	1895684
Total Amount	Rs. Lakh	370.51	626.02
Average Rate / SCM	Rupees	31.63	33.02
Liquid Nitrogen Consumed			
Quantity Consumed	CUM	3141081	4078440
Total Amount	Rs. Lakhs	102.12	189.39
Average Rate/Cum	Rupees	3.25	4.64

B. CONSUMPTION PER UNIT OF PRODUCTION

Sr. No.	**Particulars**	**Unit of Measurement**	**2019-2020 Per Tonne**	**2018-2019 Per Tonne**
1.	Electricity*	KWH	1226.62	1141.49
2.	GSPC GAS**	Tonne	0.265	0.295
3.	Liquid Nitrogen**	CUM	934.57	833.87

* Indicates combined consumption of Welded / Seamless Tubes and Nuts.

** Indicates only GSPC GAS consumption and Liquid Nitrogen.

II. Research and Development and Technology Absorption

A. RESEARCH AND DEVELOPMENT

(1) SPECIFIC AREAS IN WHICH R & D WAS CARRIED OUT BY THE COMPANY

The Company is undertaking regular developmental activities to strengthen its operations through innovation to improve productivity and quality.

(2) BENEFITS DERIVED AS A RESULT OF THE ABOVE R & D

The Company is achieving efficiency in production, and improvement in quality of product.

(3) FURTHER PLAN OF ACTION

At present, there are no specific areas in which the Company has undertaken Research & Development.

(4) CAPITAL EXPENDITURE ON R & D

The Company has not made separate allocation in the accounts, but the expenditure (other than capital expenditure) is shown under respective heads of expenditure in the Profit & Loss Account.

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

The Company is taking steps on a continuous basis to improve product and process technology in an effort to provide equality products to the consumers.

III. Foreign Exchange Earnings and Outgo

Total foreign exchange earnings and outgo is as follows:

Foreign Exchange Earnings	Rs. 1,91,28,237/-
Foreign Exchange Outgo	Rs. 17,51,79,252/-

For and on behalf of the Board of Directors

Place: Mumbai
Date: August 12, 2020

Manhar G. Gandhi
Chairman & Managing Director
DIN: 00041190

"ANNEXURE B"

FORM NO. MGT – 9
EXTRACT OF ANNUAL RETURN

As on the financial year ended March 31, 2020

[Pursuant to Section 92(3) of the Companies Act, 2013, and
Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

CIN	L27104MH1985PLC036004
Registration Date	22/04/1985
Name of the Company	GANDHI SPECIAL TUBES LIMITED
Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES /INDIAN NON-GOVERNMENT COMPANY
Address of the Registered Office and contact details	201-204, PLAZA, 2ND FLOOR, 55 HUGHES ROAD,MUMBAI, MAHARASHTRA,INDIA, 400007 Email Id: complianceofficer@gandhitubes.com Tel No: 022-2363 4179
Whether listed Company	YES
Name, address and contact details of Registrar and Transfer Agent, if any	KFIN TECHNOLOGIES PRIVATE LIMITED 6-FLOOR, KARVY SELENIUM TOWER- B, PLOT NO. 31 & 32, FINANCIAL DIST, GACHIBOWLI, NANAKRAMGUDA, SERI LINGAMPALLY HYDERABAD – 500 032, TELANGANA STATE, INDIA. PHONE NO.: +91 040 6716 1585 FAX NO : + 91 2300 1153

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Welded Tubes	24311	14.48
2	Seamless Tubes	24311	78.68

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Not applicable as there is no subsidiary and associate company.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2019				No. of Shares held at the end of the year 31.03.2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.PROMOTERS									
(1) Indian									
a) Individual/HUF	9135983	-	9135983	66.11	8567307	-	8567307	66.32	0.21
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	987629	-	987629	7.15	913391	-	913391	7.07	(0.08)
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other….	-	--	-		-	-	-	-	-
Sub-total (A) (1):-	**10123612**	**-**	**10123612**	**73.26**	**9480698**	**-**	**9480698**	**73.39**	**0.13**
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other….	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A) (1)+(A)(2)	**10123612**	**-**	**10123612**	**73.26**	**9480698**	**-**	**9480698**	**73.39**	**0.13**
B. PUBLIC SHAREHOLDING									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	1865	1200	3065	0.02	-	1200	1200	0.01	(0.01)
c) Central Govt	-	-	-		-	-		-	-
d) State Govt(s)	-	-	-	-	-		-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies		-	-	-	-		-	-	-
g) FIIs/FPI	255310	-	255310	1.85	232206	-	232206	1.80	(0.05)
h) Foreign Venture Capital funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	**257175**	**1200**	**258375**	**1.87**	**232206**	**1200**	**233406**	**1.81**	**(0.06)**

2. Non-Institutions									
a) Bodies Corp.									
i) Indian	294315	400	294715	2.13	193756	400	194156	1.50	(0.63)
ii) Overseas	-	--	-	-	-	--	-	-	-
b) Individuals	-	--	-	-	-	--	-	-	-
i) Individual Shareholders holding nominal share capital upto Rs. 1 Lakh	1869384	411831	2281215	16.51	1810677	359231	2169908	16.80	0.29
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh	472681	-	472681	3.42	459850	-	459850	3.56	0.14
iii) NBFCs registered with RBI	1000	-	1000	0.01	-	-	-	-	(0.01)
iv) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	-	-	-	-	-	-	-	-	-
v) Other Foreign Nationals	-	-	-	-	-	-	-	-	-
vi) Foreign Bodies	-	-	-	-	-	-	-	-	-
vii) NRI / OCBs	110093	90500	200593	1.45	111723	85300	197023	1.53	0.08
viii) Clearing Members / Clearing House	3759	-	3759	0.03	2753	-	2753	0.02	(0.01)
ix) Trusts	-	-	-	-	-	-	-	-	-
x) Limited Liability Partnership	-	-	-	-	-	-	-	-	-
xi) Foreign Portfolio Investor (Corporate)	-	-	-	-	-	-	-	-	-
xii) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
xiii) Others **IEPF** **Others**	 149668 32998	 - -	 149668 32998	 1.08 0.24	 149068 31754	 - -	 149068 31754	 1.15 0.25	 0.07 0.01
Sub-Total (B)(2):	**2933898**	**502731**	**3436629**	**24.87**	**2759581**	**444931**	**3204512**	**24.81**	**(0.06)**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**3191073**	**503931**	**3695004**	**26.74**	**2991787**	**446131**	**3437918**	**26.61**	**(0.13)**
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**13314685**	**503931**	**13818616**	**100**	**12472485**	**446131**	**12918616**	**100**	-

Note: 9,00,000 Equity Shares were bought back under the Buyback activity on October 18,2019 and the same were extinguished on October 24,2019

(ii) Shareholding of Promoters

Shareholder's Name	No. of Shares held at the beginning of the year 01.04.2019			No. of Shares held at the end of the year 31.03.2020			% Change during the year
	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
MANHAR G. GANDHI	1989375	14.40	-	1818075	14.07	-	(0.33)
BHUPATRAI G. GANDHI	1822840	13.19	-	1707686	13.22	-	0.03
JAYESH M GANDHI	1099796	7.96	-	1032498	7.99	-	0.03
MANOJ B GANDHI	1033260	7.48	-	969816	7.51	-	0.03
BHARTI M.GANDHI	739022	5.35	-	694265	5.38	-	0.03
CHANDRA B.GANDHI	443762	3.21	-	416961	3.23	-	0.02
GOPI J.GANDHI	429077	3.11	-	401010	3.11	-	-
JIGNA M.GANDHI	423338	3.06	-	397396	3.08	-	0.02
KARISHMA J GANDHI	230510	1.67	-	216638	1.68	-	0.01
KARAN MANOJ GANDHI	328972	2.38	-	307763	2.38	-	-
MANHAR G GANDHI (SMALL HUF)	125036	0.90	-	116522	0.90	-	-
BHUPATRAI G GANDHI (SMALL HUF)	119042	0.86	-	110880	0.86	-	-
BHUPATRAI G GANDHI (HUF)	113323	0.82	-	106347	0.82	-	-
MANHAR G GANDHI (HUF)	84730	0.61	-	79418	0.61	-	-
RAHUL JAYESH GANDHI	65120	0.47	-	107459	0.83	-	0.36
JIGNA NILESH MEHTA	47180	0.34	-	43634	0.34	-	-
BINA TUSHAR SHAH	32,800	0.24	-	32800	0.25	-	0.01
NILESH VINODRAI MEHTA	8,800	0.06	-	8139	0.06	-	-
B. M. GANDHI INVESTMENT CO. LLP	516388	3.74	-	477572	3.70	-	(0.04)
GANDHI FINANCE CO. LLP	471241	3.41	-	435819	3.37	-	(0.04)
Total	**10123612**	**73.26**	**-**	**9480698**	**73.39**	**-**	**0.13**

Note: 9,00,000 Equity Shares were bought back under the Buyback activity on October 18, 2019 and the same were extinguished on October 24, 2019.

(iii) Change in Promoters' Shareholding

During the year under review, Shri. Manhar G. Gandhi, part of Promoter group transferred 50,000 equity shares to Shri. Rahul J. Gandhi, also a part of the Promoter group, vide inter- se transfer as a Gift.

The Promoters participated in the Buyback activity undertaken by the Company which was approved by the Board at its meeting held on May 28, 2019 and by members through Special Resolution passed on July 31, 2019. A total of 6,42,914 Equity Shares belonging to the Promoter and the Promoter Group were accepted under the Buyback programme.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No	Shareholder's Name	Shareholding at the beginning of the year 01.04.2019		Shareholding at the end of the Year 31.03.2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	PINEBRIDGE INDIA EQUITY FUND	175292	1.27	162116	1.25
2	MANISH JAIN	124628	0.90	120175	0.93
3	RAJESH POPATLAL SHAH	114210	0.83	105627	0.82
4	GOVERNMENT OF SINGAPORE - E	80018	0.58	70090	0.54
5	JEETAY INVESTMENTS PVT LTD	72995	0.53	68315	0.53
6	MAHAVEER PRASAD JAIN	48449	0.35	44807	0.35
7	CHIRAYUSH PRAVIN VAKIL	42360	0.31	42626	0.33
8	MANISH JAIN HUF	31628	0.23	42090	0.33
9	JITENDRA RASIKLAL SHAH	44961	0.33	41581	0.32
10	ASHOK KUMAR JAIN	34777	0.25	33656	0.26
	Total	**769318**	**5.57**	**731083**	**5.66**

Note: 9,00,000 Equity Shares were bought back under the Buyback activity on October 18, 2019 and the same were extinguished on October 24, 2019.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Shareholder's Name	Shareholding at the beginning of the year 01.04.2019		Cumulative Shareholding during the year		Date of change in shareholding*	Reason for change*
	Directors/KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
1	Shri. Manhar G. Gandhi*	2199141	15.91	2014015	15.59	18.10.2019	Buyback
2.	Shri. Bhupatrai G. Gandhi	2055205	14.87	1924913	14.90	18.10.2019	Buyback
3	Shri. Jayesh M. Gandhi	1099796	7.96	1032498	7.99	18.10.2019	Buyback
4	Shri. Dharmen B. Shah	-	-	-	-	-	-
5	Shri. Dhirajlal S. Shah (upto 10.01.2020)	3998	0.03	3754	0.03	18.10.2019	Buyback
6	Shri. Kavas N. Warden**	27000	0.20	26000	0.20	18.10.2019	Buyback
7.	Smt. Bhavi J. Koradia.	-	-	-	-	-	-
8.	Smt. Shobhana R. Vartak	-	-	-	-	-	-
9.	Smt. Jeegeesha G. Shroff (CS) (upto 11.02.2020)	-	-	-	-	-	-
10.	Shri. Jitendra D. Khadye (CS) (from 29.06.2020)	-	-	-	-	-	-

Note: Date of changes in shareholding of Directors:

1. *Shri. Manhar G. Gandhi – 12.04.2019 –Transfer via Gift 50,000 Equity Shares to Shri. Rahul J. Gandhi

2. **Shri. Kavas N. Warden –15.11.2019 – Purchase 621 Equity Shares.

Note: 9,00,000 Equity Shares were bought back under the Buyback activity on October 18, 2019 and the same were extinguished on October 24, 2019.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

The Company has not borrowed any amount from the Bank or financial institution.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director / Whole Time Director and/or Manager;

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (Rs. In lakhs p. a)
		Manhar G. Gandhi (Rs. In lakhs p.a)	Bhupatrai G. Gandhi (Rs. In lakhs p. a)	
1	**Gross Salary** (a) Salary as per provisions contained in section 17 (1) of the Income Tax Act, 1961 (b) Value of Perquisites u/sec 17 (2) Income Tax Act, 1961 (c) Profits in lieu of salary under section 17 (3) of Income Tax Act, 1961	120.00	120.00	240.00
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	a. as a % of profit		-	-
5	Others, please specify	-	-	-
	Total (A)	**120.00**	**120.00**	**240.00**

B. Remuneration to other Directors:

Particulars of Remuneration	Name of Directors				Total Amount (Rs. In lakhs p.a)
Independent Directors	**Shri. Dhirajlal S. Shah (Rs. In lakhs p.a) (upto 10.01.2020)**	**Shri. Dharmen B. Shah (Rs. In lakhs p.a)**	**Shri. Kavas N. Warden (Rs. In lakhs p.a)**	**Smt. Bhavi J. Koradia (Rs. In lakhs p.a)**	
• Fee for attending board/other committee meeting	1.23	1.50	1.25	1.50	5.48
Total (1)					**5.48**
Other Non-Executive Directors	**Shri. Jayesh M. Gandhi (Rs. in lakhs)**	-	-	-	-
• Fee for attending board /other committee meeting	1.85	-	-	-	1.85
Total (2)					**1.85**
Total (B) = (1 + 2)					**7.33**

C. Remuneration to key managerial personnel other than MD/Manager/WTD

Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount (₹ in lakhs)
	Chief Financial Officer	Company Secretary	
	Smt. Shobhana R. Vartak (Rs. In lakhs p.a)	Smt. Jeegeesha G. Shroff (upto February 10, 2020) (Rs. In lakhs p.a)	
Gross Salary			
(a) Salary as per provisions contained in section 17 (1) of the Income Tax Act, 1961	14.74	4.15	18.89
(b) Value of Perquisites u/sec 17 (2) Income Tax Act, 1961	-	-	-
(c) Profits in lieu of salary under section 17 (3) of Income Tax Act, 1961	-	-	-
Stock Option	-	-	-
Sweat Equity	-	-	-
Commission	-		
a. as a % of profit	-	-	-
b. others, specify	-	-	-
Others, Please specify	-	-	
Total	**14.74**	**4.15**	**18.89**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES (Under the Companies Act):

There were no instances of any penalties/punishments/compounding of offences for the year ended March 31, 2020

For and on behalf of the Board of Directors

Manhar G.Gandhi
Chairman & Managing Director
DIN: 00041190

Place: Mumbai
Date: August 12, 2020

"ANNEXURE C"

ANNUAL REPORT ON CSR ACTIVITIES

	Particulars	Details
1.	A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs	The detail is available on the Web Site of the Company www.gandhispecialtubes.com
2.	The Composition of the CSR Committee.	Shri. Manhar G. Gandhi- Chairman Shri. Jayesh M. Gandhi- Member Smt. Bhavi J. Koradia - Member
3.	Average Net Profit of the Company for last three Financial Years	Rs. 44,12,81,285
4.	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above)	Rs. 88,25,626/-
5.	Details of CSR spent during the Financial Year.	
	a) Total amount to be spent for the Financial Year;	Rs. 88,25,626/-
	b) Amount Unspent Carried Forward from Financial Year 2018-2019	Rs. 77,07,142/-
	c) Total Amount to be spent till the financial year 2019-2020	Rs. 1,65,32,768/-
	d) Amount spent on CSR during Financial year 2019-2020	Rs. 1,12,45,250/-
	e) Amount unspent , if any; c/f from Financial Year 2019-2020	Rs. 52,87,518/-
	f) Manner in which the amount spent during the Financial Year and reasons therefor.	The Company has spent Rs.1,11,00,000/- (One Crores and Eleven Lakhs Only) towards Jain Youth Foundation for 16 New Dialysis Machine at Mulund, Mumbai and the Company has also spent Rs.1,45,250 (One Lakh Forty-Five Thousand, Two Hundred and Fifty Only) towards HDFC Charity Fund for Cancer Cure during the year. However the Company could not spend remaining amount for the reasons stated below. The entire unspent amount will be carried forward and will be spent in the subsequent years. The Company's philosophy from the day the CSR provisions were introduced was to spend CSR funds on the projects which are mainly located in the Rural Areas and having enduring benefits to the Society at large. It believes in creation of CSR wealth which can be used for longer period and the beneficiaries should derive benefits generation by generation. The factory of the Company being located in Gujarat it is the preferred destination for the Company. However, this time the Company has given the preference to the place where Registered Office of the company is located, Mumbai. For the unspent amount, the Company is exploring suitable project/s so as to fulfill its CSR obligations and will release the funds earmarked for CSR on finalization of the CSR activity.

Chairman and Managing Director **Chairman of CSR Committee**

"ANNEXURE D"

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[Issued in pursuance to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with modifications as deemed necessary, without changing the substance of format given in MR-3]

To,

The Members,
Gandhi Special Tubes Limited
201-204, Plaza, 2nd Floor
55 Hughes Road,
Mumbai-400007

We have conducted the secretarial audit through electronic platform namely online means to verify the documents by our authorized person(s) during the lock down period, of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Gandhi Special Tubes Limited (CIN L27104MH1985PLC036004)** (hereinafter called 'the Company') for the financial year ended 31st March, 2020. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

A. In expressing our opinion, it must be noted that -

   i. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

   ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis of our opinion.

   iii. We have not verified correctness and appropriateness of financial records and books of accounts of the Company.

   iv. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

   v. The compliance and provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

   vi. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

B. Based on our online verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and made available to us and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 complied

with the statutory provisions listed hereunder and also that the Company has proper Board-process (duly evolved) and compliance-mechanism in place to the extent and as applicable to the Company in the manner and subject to the reporting made hereinafter:

C. We have conducted an online examination of the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

I. The Companies Act, 2013 (the Act) and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

VA. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

(d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

VB. The Company has not undertaken any of the activities during the audit period as envisaged in the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and hence are not relevant for the purpose of audit:

(a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

(b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008

(d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

VI. And the Company being in the business of manufacturing Automobiles Components, Cold Formed Tube Nuts for Fuel Injection Tube Assemblies, Hydraulic and other tube Assemblies, no specific Special Acts are applicable to the Company as envisaged in the format of Audit Report under the Act.

D. We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards in respect of Meetings of Board of Directors (SS-1) and General Meetings (SS-2) as issued by the Institute of Company Secretaries of India;

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except that pursuant to Regulation 7 (2) of SEBI (Prohibition of Insider Trading)

Regulations, 2015, the Company erroneously did not include the data pertaining to the two LLPs belonging to the group which had tendered its shares under the Buy-back offer announced by the Company during 25th September, 2019 to 10th October, 2019 while uploading the disclosure under the said regulation on the Stock Exchange Portal. However at the time of signing the report the Company has submitted the required details to the Exchange.

E. We further report that-

I. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

II. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

III. Majority decision is carried through and there was no instance of any director expressing any dissenting views.

F. We further report that there are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

G. We further report that during the audit period none of the following events has taken place which has a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above

i. Public/Rights/Preferential Issue of Shares/Debentures/Sweat equity etc.
ii. Redemption of securities
iii. Major decision taken by the members in pursuance to Section 180 of the Companies Act, 2013.
iv. Merger/Amalgamation/Reconstruction, etc.
v. Foreign Technical Collaborations.

For DHOLAKIA & ASSOCIATES LLP
(Company Secretaries)

CS Bhumitra V. Dholakia
Designated Partner
FCS-977 CP No. 507
UDIN: F000977B000574321

Place: Mumbai
Date: 12th August, 2020

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Industry Structure and Development

Your Company is engaged in manufacturing and marketing of welded and seamless steel tubes of different sizes and specifications and Cold Formed Coupling Nuts. These products are mainly supplied to the Original Equipment Manufacturers (OEMs) of the automotive sector, Farm Equipment manufacturers, Construction equipment manufacturers and other Engineering Industries.

Your Company is also operating in Power Sector through Windmills installed in Maharashtra and Gujarat in a modest way.

2. Opportunities & Threats

Opportunities:

- Heavy government focus on the development of the agricultural sector and growth in rural income should fuel demand for Farm equipment.
- Increased pace of infrastructure development, government's focus on investment in roads and thrust in other infrastructure projects should increase demand for construction equipment.
- Technological change will throw up some new opportunities.
- India is forecasted to be one of the fastest growing automobile markets in the world.
- Due to good Monsoon, across the country, demand for the Farm Equipment will increase which will create opportunities for the company.
- Government's push for "ATMANIRBHAR BHARAT" will provide increased opportunities to the company to cater to other industries.

Threats:

- Constantly evolving, stricter safety and emission regulations can increase the cost of production.
- The large scale push by the Government for the electrification of vehicles and other technologically driven trends can be very disruptive for the entire automotive sector.
- The disruption caused by the Pandemic could take longer than expected to normalise the business environment.

3. Product wise Performance

Product wise classification and their contribution to total sales are as under:

Sr. No.	Product	2019-20 (%)	2018-19 (%)
1.	Welded Tubes	14.48	12.61
2.	Seamless Tubes	78.68	79.61
3.	Cold Formed Nuts	5.62	6.21
4.	Wind Power	1.22	1.57
	Total	**100.00**	**100.00**

4. Outlook

Currently we are experiencing sluggish demand for your Company's products due to the reduction in production by OEMs on account of low demand. The Covid-19 pandemic has created further disruption and uncertainty in the local and global automotive sector. As a result, we expect a short to medium term impact with revival in demand to be slower than anticipated.

Given the healthy growth potential of the automotive industry and its significance to the overall economy in terms of generating employment opportunities across several sectors, the Government of India will be determined to support its development. Nevertheless, your Company continues to focus on cost optimization, improving supply chain management and increasing labour productivity.

5. Risk and Concerns

Your Company evaluates and monitors all risks associated with various areas of operations such as production, sales, inventory management, debtors, insurance, legal, safety and environment with a view to mitigate the adverse impact of these risk factors.

Some additional external risk factors that your Company might be exposed to are:

- Disruption and Uncertainty in Business due to Covid-19 pandemic - The Company's operations has been adversely affected and will continue as the local and global lockdown has created logistical, production, supply chain, staff and distribution issues.

- Currency volatility – Fluctuations in foreign exchange rates can impact the cost of imported raw materials and profitability of the Company.

6. Internal Control Systems

Your Company has a well-established internal control system in place which is commensurate with the size and nature of its business. The internal control system ensures that all the assets of the Company are safeguarded from loss, damage or disposition. Checks and controls are in place to ensure that transactions are adequately authorized and recorded and that they are reported correctly. The internal control system is supplemented by an internal audit by a firm of independent Chartered Accountants and statutory audit which is periodically reviewed by the management and Audit Committee.

No material issues in relation to the adequacy of Company's control systems were raised during the year.

The Audit Committee of the Board regularly reviews compliance with the Company's policies, procedures and statutory requirements in consultation with the Statutory Auditors and the Internal Auditors, who also attend the Audit Committee meetings.

7. Financial Performance with respect to Operational Performance

Sales and Profit:

During the year, Net Sales decreased by approximately 34.14% and Net Profit decreased by 44.75%.

8. Capital Investment:

Capital Investment of Rs. 29.84 Lakhs was made during the year. The entire capital investment has been made out of the Company's internal cash accruals.

9. Human Resources and Industrial Relations

The Company believes that nurturing and strengthening the human resource is vital in creating a unique organisational structure consisting of harmonious relationships. The Company also considers its human capital a critical factor to its success. The Company also provides suitable environment for development of leadership skills which enables it to recruit and retain quality professionals in all the fields. The attrition rate is lower than the rate prevailing in the automotive sector. The Company has drawn up a comprehensive human resource strategy, which addresses key aspects of human resource development such as:

- The code of conduct and fair business practices;
- Evolution of performance based compensation packages to attract and retain talent.
- Skill development of all Blue collared workforce to enable them to effectively meet the productivity and quality deliverables.

10. Safety, Health and Environment (SHE) Management

Your Company continues to adopt the best safety practices that have reduced the accident and severity rate. The initiation of new personnel in Safety, Health and Environment (SHE) Management practices, before their deployment to the shop floor, contributed to a significant reduction in unsafe practices. Constant upgradations in technology, safety equipment provisions and regular safety inspections of the plant and machinery are also carried out to mitigate any hazards. This is progressively taking the Company towards achieving the target of Zero Accidents.

11. Cautionary Statement

Statements made in this Management Discussion and Analysis describing your Company's objectives, projections, estimates and expectations are "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

The Management is confident that your Company with its quality products, enduring relations with OEM and commitment of staff will continue to sustain its growth and pay out by way of dividend to the shareholders in the year 2020-2021.

For GANDHI SPECIAL TUBES LTD.

Manhar G. Gandhi
Chairman and Managing Director
DIN: 00041190

Place: Mumbai
Date: August 12, 2020

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

1. Company Philosophy on Corporate Governance

Your Company's philosophy on Corporate Governance is for promoting fairness, transparency, accountability and integrity in conducting the business of the Company to achieve sustained growth and maximum value for all its stakeholders. The rights of the shareholders are honoured, their grievances are redressed well in time and important information is shared with them. The Company follows principles governing disclosures and obligations as enshrined in the Regulation 4 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your Company is fully compliant with the Regulatory Guidelines relating to the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.

In compliance with the disclosure requirements of Schedule V to the Regulation 34 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the details are set out below:-

2. Board of Directors

(A) Composition

The Board of the Company has an optimum combination of Executive, Non Executive and Independent Directors with one woman director and more than fifty percent of the Board of Directors comprises non-executive directors with the strength of more than fifty percent independent directors. As on 31st March, 2020, the Board consists of 6 directors out of which two are executive directors, one non-executive promoter director and three independent directors inclusive of a woman director.

(B) & (C) Attendance and Other Directorships:

The attendance of the Board of Directors and related information as on March 31, 2020 is as follows: These details should be viewed in consonance with the requirements for the Board's Report.

Name of the Director & Designation	**No. of Board Meetings attended (out of total 4 meetings)**	**Attendance at the last AGM on July 31, 2019**	**Directorship in other companies incorporated in India** *(including private limited companies)*	**No. of other Board Committees of which Member / Chairman** *(other than GANDHI SPECIAL TUBES LIMITED)*	**Executive / Non Executive / Independent**	**Inter Se relationship between directors**
Mr. Manhar G. Gandhi, Chairman and Managing Director	4	Present	Nil	None	Executive (Promoter Group)	Brother of Mr. Bhupatrai G, Gandhi, Joint Managing Director and Father of Mr. Jayesh M. Gandhi, Director.
Mr. Bhupatrai G. Gandhi, Joint Managing. Director	4	Present	Nil	None	Executive (Promoter Group)	Brother of Mr. Manhar G. Gandhi, Chairman & Managing Director

Name of the Director & Designation	No. of Board Meetings attended (out of total 4 meetings)	Attendance at the last AGM on July 31, 2019	Directorship in other companies incorporated in India *(including private limited companies)*	No. of other Board Committees of which Member / Chairman *(other than GANDHI SPECIAL TUBES LIMITED)*	Executive / Non Executive / Independent	Inter Se relationship between directors
Mr. Dhirajlal S. Shah (upto 10.01.2020)	3	Present	Nil	None	Non Executive & Independent	None
Mr. Kavas N. Warden	4	Present	Nil	None	Non Executive & Independent	None
Mr. Jayesh M. Gandhi	4	Present	1	None	Non Executive (Promoter Group)	Son of Mr. Manhar G. Gandhi, Chairman & Managing Director
Mr. Dharmen B. Shah	4	Present	1	None	Non Executive & Independent	None
Mrs. Bhavi J. Koradia	4	Present	Nil	None	Non Executive & Independent (woman)	None

None of the Independent Directors on the Board holds the office of Director in more than 7 (seven) listed Companies. Both the Managing Director and Joint Managing Director are not holding any office as Independent Directors in any other listed company.

(D) Board Meetings

The meetings of the Board of Directors are scheduled well in advance and generally held at the Company's Registered Office in Mumbai. The Notice of the Board Meeting and Board Agenda with detailed enclosures are sent in advance to all Directors. Documents relating to Unpublished Price Sensitive Information are sent three days before the Meeting.

Four Board Meetings were held during the year on May 28, 2019, July 31, 2019, November 07, 2019, and January 27, 2020 respectively. All the board meetings have been held within the prescribed time gap of 120 days between any two meetings. Separate meeting of the Independent Director was held on January 27, 2020 and the business as envisaged under Listing Regulations, 2015 and the Companies Act, 2013 was transacted. The meeting was held without the presence of management staff of the Company.

(E) Disclosure of Inter se relationship between Directors

Mr. Manhar G. Gandhi, Chairman & Managing Director is father of Mr. Jayesh M. Gandhi, Director and Brother of Mr. Bhuptrai G. Gandhi, Joint Managing Director.

(F) Number of Shares held by Non Executive Director as on March 31, 2020.

Sr. No.	Shareholder's Name	No. of shares
1	Mr. Jayesh M. Gandhi	10,32,498
2	Mr. Dharmen B. Shah	-
3	Mr. Dhirajlal S. Shah	3,754
4	Mr. Kavas N. Warden	26,000
5	Mrs. Bhavi J. Koradia	-

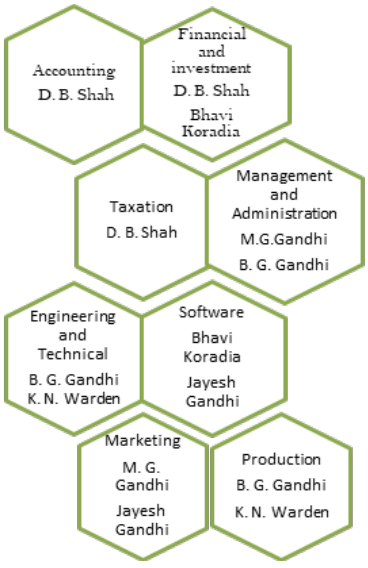
The Company has not issued any convertible instrument.

(G) Web link where details of familiarization program to Independent Director

The web link for details of familiarization program to Independent Directors is at http://www.gandhispecialtubes.com/cg/familarisation.pdf

(H) List of core skills/expertise/competence as identified by the Board in context of the business:

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:



(I) Independent Directors confirmation by the Board

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations.

(J) None of the Indepenent Directors has resigned before the expiry of his tenure. However the Board of Directors paid rich tribute to Shri. Dhirajlal Shah, Chairman of Audit Committee, who left for his heavenly abode on January 10, 2020.

COMMITTEES OF THE BOARD

3. Audit Committee

a) Brief description of terms of reference

The terms of reference of the Audit Committee were modified at the meeting held on January 27, 2020 and the same are in accordance with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. In addition, the Audit Committee reviews the Accounting Policies, interacts with the Statutory Auditor and Internal Auditor and discusses the audit programe with them. The Committee acts as a link between the Management, Auditors and Board of Directors of the Company and has full access to financial information.

Recommendations of the Audit Committee, if any, are considered and implemented by the Board from time to time.

(b) Composition, Name of Members and Chairman

Audit Committee consists of four Directors Viz:

1. Mr. Dharmen B. Shah, (Chartered Accountant) - Chairman and Independent Director
2. Mr. Kavas Warden (B. Com) - Independent Director
3. Mrs. Bhavi J. Koradia (Chartered Accountant) - Independent Director
4. Mr. Jayesh M. Gandhi (B. Com and MBA) - Non Executive Director.

All the members of the Committee are Non-Executive Directors and two thirds of them are independent directors. The Chairman of the Audit Committee remained present at the previous Annual General Meeting. All the members of the Audit Committee are professionals and financially literate within the meaning of Regulation 18 (1) (c) of the Listing Regulations,2015. The Audit Committee was reconstituted due to sad demise of Mr. Dhirajlal S. Shah, Chairman of the Audit Committee and Mr. Kavas Warden was inducted on January 27, 2020.

(c) Meetings and Attendance during the year

The Audit Committee met 4 (Four) times during the year on May 28, 2019, July 31, 2019, November 07, 2019, and January 27, 2020 respectively. The attendance of each member of the committee is given below:

Name of the Director	No. of meetings attended out of 4 meetings
Mr. Dhirajlal S. Shah (upto 10.01.2020)	3
Mr. Dharmen B. Shah	4
Mr. Kavas Warden (with effect from 27.01.2020)	0
Mr. Jayesh M. Gandhi	4
Mrs. Bhavi J. Koradia	4

Managing Director is the permanent invitee to the Audit Committee. The Statutory Auditor, Internal Auditor and Secretarial Auditor also attend the meetings regularly and participate in the discussion and make valuable suggestions. Cost Auditors also attends the meeting when the Report of the Cost Auditor is considered. The Minutes of the Audit Committee Meetings were noted at the Board Meetings. The Company Secretary is the secretary of the committee.

4. Nomination and Remuneration Committee

(a) Brief description of Terms of Reference

Apart from determining the Company's Policy on specific remuneration packages for Executive Directors and to fix the remuneration payable to executive directors, the terms of reference are in accordance with the provisions of the Part D of the Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013 and rules framed there under.

(b) Composition, Name of Members and Chairman

Nomination and Remuneration Committee comprises of:-

Mr. Dharmen B. Shah – Chairman and Independent Director
Mr. Kavas N. Warden – Independent Director
Mrs. Bhavi J. Koradia – Independent Director

(c) Meetings and Attendance during the year

During the year no Nomination and Remuneration Committee meeting was held, however Securities and Exchange Board of India (SEBI) vide its circular SEBI/HO/CFD/CMD1/CIR/P/2020/48 dated March 26,2020 granted one-time relaxation for a period of 3 months from March 31,2020 for operation of Regulation 19(3A) of the Listing Regulations for conducting meeting of Nomination and Remuneration Committee on account of Covid-19. The Nomination and Remuneration Committee met once on June 29,2020. All the members of the Committee attended the Meeting.

(d) Remuneration Policy

The Nomination and Remuneration Policy for Working Directors is reviewed periodically to ensure that the same is in line with the peer companies. The payment of remuneration is duly approved by the Remuneration Committee, the Board of Directors and the Shareholders. The Policy is available on the website of the Company at www.gandhispecialtubes.com.

(e) Performance evaluation of Directors

Pursuant to applicable provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board, in consultation with its Nomination & Remuneration Committee has formulated a framework containing, inter-alia, the criteria for performance evaluation of the Board, Individual Directors, and the Chairperson.

5. Meeting of Independent Directors

A Separate meeting of the Independent Directors was held on January 27, 2020, inter-alia, to discuss evaluation of the performance of Non-Independent Directors, the Board as a whole, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors and the evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole.

6. Details of Remuneration paid to the Directors for the year ended March 31, 2020.

(a) Managing Director and Joint Managing Director

The Agreements with the Managing Director and the Joint Managing Director are for a period of Five Years each commencing from January 01, 2018.

The total remuneration paid to the Managing Director and the Joint Managing Director during the year 2019-2020 was as under:

Name	**Salary** (Rs. In Lakhs)	**Commission** (Rs. In Lakhs)	**Total** (Rs. In Lakhs)
Mr. Manhar G. Gandhi Mg. Director	120.00	-	120.00
Mr. Bhupatrai G. Gandhi Jt. Mg. Director.	120.00	-	120.00

Notes:

(a) Either party to the agreement is entitled to terminate by giving the other party a notice of 3 months.

(b) The Managing Director and the Joint Managing Director are entitled to compensation for loss of office in accordance with and subject to restrictions laid down under section 202(2) of the Companies Act, 2013.

(c) Presently, the Company does not have a scheme for grant of stock options either to the Managing Director or to the Joint Managing Director.

(d) The Managing Director and Joint Managing Director are entitled to commission within the overall limit prescribed under sections 197 of the Companies Act, 2013.

(e) The Non-Executive Directors are not entitled to any remuneration except payment of sitting fees for attending the meetings of Board of Directors and Committees thereof. During the year 2019-2020, the Company has paid total sitting fee of` Rs. 7,33,000/- to non-executive directors as under:

Mr. Dhirajlal S. Shah (upto 10.01.2020)	:	Rs. 1,23,000/-
Mr. Kavas N. Warden	:	Rs. 1,25,000/-
Mr. Jayesh M. Gandhi	:	Rs. 1,85,000/-
Mr. Dharmen B. Shah	:	Rs. 1,50,000/-
Mrs. Bhavi J. Koradia	:	Rs. 1,50,000/-

7. Stakeholders Relationship Committee

(a) Composition, Name of Members, Chairperson & Attendance during the year:

Stakeholders Relationship Committee comprises of:

Mr. Jayesh M. Gandhi - Chairman and Non-Executive Director.
Mr. Bhupatrai G. Gandhi - Executive Director
Mr. Kavas N. Warden - Independent Director

The Company promptly redresses the complaint of the shareholders. It sends an advance intimation to encash the unclaimed dividend, to the shareholders who have not claimed their dividend. Stakeholders Relationship Committee met once during the year on January 27, 2020. All the members of the Committee attended the meeting. The Company Secretary is the secretary of the Committee. The Minutes of the Stakeholders' Relationship Committee Meeting are being noted at the Board Meeting.

(b) Name & Designation of Compliance Officer:
Mr. Jitendra D. Khadye, Company Secretary is the Compliance Officer.

(c) to (e) A statement of various complaints received, cleared and pending by the Company during the year ended on March 31, 2020 is given below:

Nature of Complaint	**Received**	**Cleared**	**Pending**
Non Receipt of Annual Report	-	-	Nil
Non Receipt of Dividend Warrants	6	6	Nil
Non- receipt of Duplicate/Transmission/Deletion of SCS	-	-	Nil
Non receipt of securities	6	6	Nil
Others	-	-	---
Letters from Stock Exchange/ SEBI/ Department of Company Affairs	-	-	Nil
Total	**12**	**12**	**Nil**

The "SCORES" website of SEBI for redressing of Grievances of the investors is being visited at regular intervals by the Company Secretary and there are no pending complaints registered with SCORES for the Financial Year ended on March 31, 2020.

As per Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the exclusive E-mail id of the Investor Grievance Department of the Company is complianceofficer@gandhitubes.com.

8. Corporate Social Responsibility Committee (CSR Committee) (Voluntary Disclosure)

The terms of the reference of the CSR Committee are in accordance with Section 135 of the Act, 2013 and Rules framed thereunder.
Based on the recommendation of the Committee the Board of Directors has approved the Corporate Social Responsibility and the same is available on the website of the Company i.e. www.gandhispecialtubes.com under "Investor Relation" column.

The Committee comprises of

1. Mr. Manhar G. Gandhi – Chairman and Managing Director
2. Mr. Jayesh M. Gandhi – Non-Executive Director
3. Mrs. Bhavi J. Koradia – Independent Director

The Committee met twice during the year on May 28, 2019 and November 21, 2019 respectively which discussed and recommended the Board the amount to be spent for the year 2019-2020.

The terms of the Committee includes the matters specified in the Section 135 of the Act, Schedule VII to the Act and rules framed thereunder.

A summary of Corporate Social Responsibility activities carried out by the Company during the year under review and details thereof are given in the "Annexure C" to the Board's Report. The Company Secretary is the secretary of the committee.

9. Risk Management Committee

The Company is not required to have the Risk Management Committee as it does not fall under the Top 500 Companies as required by the Listing Regulations.

10. General Body Meetings

The date, time and venue of the last 3 General Body Meetings of the Company is given below:

Financial Year ended	Date of AGM	Time	Venue	Details of Special Resolutions
March 31, 2017	12.07.2017	11.00 a.m.	Kanji Khetsey Sabhagriha, Bharatiya Vidya Bhavan, K. M. Munshi Marg, Mumbai 400007	None
March 31, 2018	13.08.2018	11.00 a.m.	Kanji Khetsey Sabhagriha, Bharatiya Vidya Bhavan, K. M. Munshi Marg, Mumbai 400007	1) Re-appointment of Shri. Dhirajlal S. Shah as an Independent Director for second term of 5 years with effect from April 1, 2019 2) Re-appointment of Shri. Kavas N. Warden as an Independent Director for second term of 5 years with effect from April 1, 2019 3)Re-appointment of Shri. Dharmen B. Shah as an Independent Director for second term of 5 years with effect from April 1, 2019
March 31, 2019	31.07.2019	11.00 a.m.	Kanji Khetsey Sabhagriha, Bharatiya Vidya Bhavan, K. M. Munshi Marg, Mumbai 400007	1) To approve Buyback of Shares through Tender offer Route

None of the items transacted at the said meetings were required to be passed by postal ballot.

(c) to (d) No Postal ballot was conducted during the year under review. No Extra Ordinary General Meeting was held.

At the forthcoming Annual General Meeting there is no item on the agenda requiring to be passed mandatorily by postal ballot. Hence, no need to specify the procedure for Postal Ballot.

11. Means of Communication:

(a) Quarterly/Half-yearly and Yearly Financial Results

The quarterly/half-yearly and annual results of the Company are published in the newspapers and posted on the website of the Company at www.gandhispecialtubes.com. The quarterly and annual results along with the Segmental Report are generally published in The Free Press Journal and Navshakti. The Company's financial results are sent in time to Stock Exchanges so that they may be posted on the Stock Exchanges' website.

(b) Company's Corporate Website

The Company's website is a comprehensive reference on Gandhi Special Tubes' management, products, investor relations, Clients, etc. The section on "Investors' relations" serves to inform the shareholders, by giving complete financial details, corporate governance, Composition of Board, contact information relating to our registrar and share transfer agent, etc.

Quarterly Report on Corporate Governance under Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been submitted to Stock Exchange(s) as follows:

Quarterly Report for the quarter ended	Submitted to BSE Ltd.	Submitted to National Stock Exchange of India Ltd through NEAPS
June 30, 2019	09.07.2019	09.07.2019
September 30, 2019	07.10.2019	09.10.2019
December 31, 2019	08.01.2020	08.01.2020
March 31, 2020	09.05.2020	09.05.2020

(d) Release of official news

The Company intimates to the Stock Exchange any official news and places on its websites also.

(e) Corporate Filing and Dissemination System (CFDS), BSE Online and NSE Electronic Application Processing System (NEAPS) –

In accordance with Listing Regulations, all disclosures and communications to BSE Limited are done electronically through BSE's Online portal and to the National Stock Exchange of India Limited are done electronically through NSE's NEAPS portal.

f) Presentation to Institutional Investors or to analysts

There is no official news release displayed on the website. The Company has not made any presentation to institutional investors or equity analyst.

12. General Shareholders Information

(a) Annual General Meeting

35th Annual General Meeting of the shareholders will be held on Tuesday, September 22, 2020 at 11.00 a.m.

Venue: Through Video Conferencing in accordance with Ministry of Corporate Affairs ("MCA") circulars dated 8th April 2020, 13th April 2020, 5th May 2020 and 15th June 2020 which permits Companies to hold Annual General Meeting through Video Conference without the physical presence of the members.

In compliance with the said circulars the Annual General Meeting is being held through Video Conference/other Audio Visual Means.

(b) Dividend Payment Date: The final dividend, if declared shall be paid/credited on or before Wednesday, October 21, 2020

(c) Listing on Stock Exchange

1. **BSE Ltd**
Phiroze Jeejeeboy Towers,
Dalal Street, Mumbai-400001

2. **National Stock Exchange of India Ltd.**
Exchange Plaza, Plot no C/1, G block,
Bandra Kurla complex, Bandra (E)
Mumbai-400 051.

(d) SCRIP CODE : BSE – 513108
SCRIP ID : NSE – GANDHITUBE

(e) ISIN NO. : **INE524B01027**

(f) Payment of listing fees:

The Annual Listing Fee for the financial year 2020-2021 have been paid to the BSE Ltd and NSE Ltd.

(g) Market Price Data: high, low during each month in the last financial year.

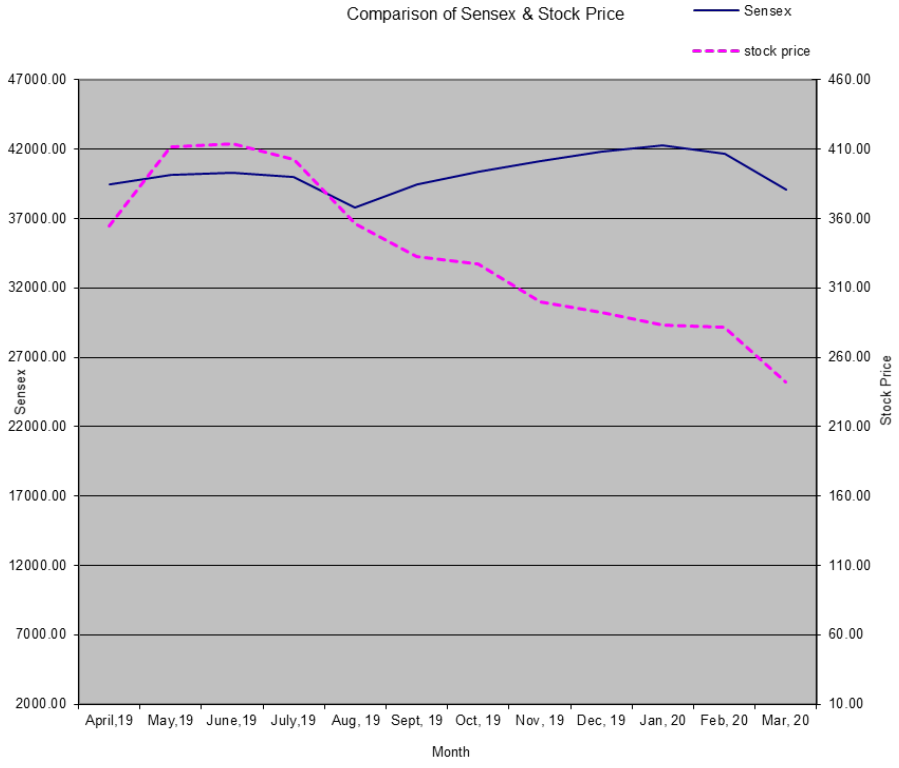
Monthly Share Price Data of the Company's shares on BSE for the year ended March 31, 2020

Month	Highest Rate (Rs.)	Date	Lowest Rate (Rs.)	Date
April 2019	355.00	01/04/2019	333.00	30/04/2019
May 2019	412.00	29/05/2019	328.00	02/05/2019
June 2019	414.00	03/06/2019	387.20	21/06/2019
July 2019	402.50	01/07/2019	325.10	22/07/2019
August 2019	356.00	09/08/2019	263.00	23/08/2019
September 2019	332.90	30/09/2019	288.80	05/09/2019
October 2019	327.70	03/10/2019	290.00	17/10/2019
November 2019	300.00	04/11/2019	283.20	29/11/2019
December 2019	292.00	06/12/2019	268.00	26/12/2019
January 2020	283.40	27/01/2020	264.70	06/01/2020
February 2020	282.00	04/02/2020	221.50	18/02/2020
March 2020	242.30	03/03/2020	136.70	24/03/2020

Monthly Share Price Data of the Company's shares on NSE for the year ended March 31, 2020

Month	Highest Rate (Rs.)	Date	Lowest Rate (Rs.)	Date
April 2019	359.00	10/04/2019	326.00	30/04/2019
May 2019	416.90	31/05/2019	328.25	02/05/2019
June 2019	414.15	03/06/2019	383.10	25/06/2019
July 2019	404.35	02/07/2019	315.00	22/07/2019
August 2019	361.00	13/08/2019	270.20	23/08/2019
September 2019	338.00	27/09/2019	286.40	04/09/2019
October 2019	329.90	09/10/2019	285.50	17/10/2019
November 2019	314.00	13/11/2019	280.00	29/11/2019
December 2019	294.95	12/12/2019	265.50	26/12/2019
January 2020	284.90	27/01/2020	264.05	07/01/2020
February 2020	278.40	06/02/2020	217.05	27/02/2020
March 2020	241.95	03/03/2020	140.00	24/03/2020

(h) Performance in comparison to BSE Sensex



(i) In case the securities are suspended from trading, Board's Report shall explain reason

Not Applicable as trading in the Equity Shares of the Company was not suspended during the year either by BSE or NSE.

(j) Name and Address of the Registrar and Share Transfer Agent

KFIN TECHNOLOGIES PRIVATE LIMITED formerly known as KARVY FINTECH PRIVATE LIMITED.

Regd. Office
6-Floor, Karvy Selenium Tower-B,
Plot No. 31 & 32,Financial Dist,
Gachibowli, Nanakramguda,
Seri Lingampally, Hyderabad – 500 032,
Telangana State India.
Tel : +91 040 6716 1585
Fax : +91 2300 1153

(k) Share Transfer System

Requests for dematerialisation and re-materialisation should be sent to the M/s. KFin Technologies Private Limited,

The Company's Shares are traded on the Stock Exchanges in the compulsory dematerialised form. Shareholders are requested to ensure that their Depository Participants ("DPs") promptly send physical documents, i.e. Dematerialization Request Form ("DRF"), Share Certificates, etc. to the Investor Securities Depository ("ISD") by providing the Dematerialization Request Number ("DRN").

The requests for dematerialization of shares are processed by the Registrar and Share Transfer Agent and within a period of 15 days.

No Physical Transfer of Shares have been effected after 1st April, 2019, in terms of the mandates of the Securities and Exchange Board of India('SEBI') and Ministry of Corporate Affairs('MCA').

(l) (1) Distribution of Share Holding as on March 31, 2020

DISTRIBUTION SCHEDULE AS ON 31/03/2020			
Category	**No. of shareholder**	**% of Cases**	**% Amount**
1-5000	7076	93.82	9.77
5001- 10000	259	3.43	3.13
10001- 20000	107	1.42	2.36
20001- 30000	20	0.27	0.78
30001- 40000	15	0.20	0.82
40001- 50000	13	0.17	0.90
50001- 100000	17	0.23	1.74
100001 & Above	35	0.46	80.50
Total:	**7542**	**100.00**	**100.00**

(2) Distribution of shareholding according to categories of shareholders as on March 31, 2020

SHARE HOLDING PATTERN AS ON 31/03/2020				
Sr.No.	**Description**	**Cases**	**Shares**	**% Equity**
1	BANKS	1	1200	0.01
2	CLEARING MEMBERS	16	2753	0.02
3	DIRECTORS AND THEIR RELATIVES	3	30754	0.24
4	FOREIGN NATIONALS	1	1000	0.01
5	FOREIGN PORTFOLIO INVESTORS	2	232206	1.80
6	H U F	320	125936	0.97
7	I E P F	1	149068	1.15
8	INDIAN PROMOTER COMPANIES	2	913391	7.07
9	BODIES CORPORATES	111	194156	1.50
10	NON RESIDENT INDIANS	202	152034	1.18
11	NRI NON-REPATRIATION	55	44989	0.35
12	COMPANY PROMOTERS	22	8567307	66.32
13	RESIDENT INDIVIDUALS	6806	2503822	19.38
	Total:	**7542**	**12918616**	**100**

For the purpose of SEBI (Substantial Acquisition of Shares & Takeover) Regulation 2011, the following LLPs are to be considered as Indian Promoter Companies belonging to Promoters Group.

Sr. No.	**Name**	**Shareholding as on 31/03/2020**
1.	**Gandhi Finance Co. LLP**	4,35,819
2	**B.M. Gandhi Investment Co. LLP**	4,77,572

(m) Details of Dematerialization and its liquidity

CONTROL REPORT AS ON 31/03/2020				
Sr. No.	**Name of Depository**	**No. of Holders**	**Shares**	**% To Equity**
1	NSDL	3754	10638699	82.35
2	CDSL	2820	1833786	14.19
	Sub Total	**6574**	**12472485**	**96.54**
3	PHYSICAL	968	446131	3.45
	Total:	**7542**	**12918616**	**100.00**

(n) The Company has not issued any GDR's/ ADR's, Warrants or any other convertible instruments.

(o) Commodity Price risk/Foreign exchange risk and hedging activities: Not Applicable

(p) Plant Location: Halol (Gujarat), Windmills at Bhogat, Navadara & Kutch (Gujarat), Sangli (Maharashtra)

(q) Address for Correspondence:

Shri Ganesh Patro/ Shri. B V Kishore	Mr. Jitendra D. Khadye, Company Secretary & Compliance Officer
KFin Technologies Private Limited formerly known as Karvy Fintech Pvt. Limited Karvy Selenium Tower-B, Plot No. 31 & 32,Financial Dist,Gachibowli,Nanakramguda, Seri Lingampally ,Hyderabad - 500 032,Telangana State India. Tel : +91 040 6716 1585 Fax : +91 2300 1153 Email: kishore.bv@kfintech.com URL: www.kfintech.com	**Gandhi Special Tubes Ltd.** 201-204 Plaza, 2nd Floor 55 Hughes Road, Next to Dharam Palace Mumbai 400 007 Tel: 022-23634179 Fax: 022-23634392 Email:complianceofficer@gandhitubes.com URL: www.gandhispecialtubes.com

SEBI toll-free helpline service for investors: 1800 22 7575/1800 266 7575 (available on all days from 9.30 a.m. to 5.30 p.m.)

(r) Since the Company does not have issued any debt instrument or is not accepting any deposits or any credit exposure it is not required to obtain any credit rating and hence there is no disclosure.

13. Other Disclosures

(a) **Related Party Transactions**

During the year under review, besides the transactions reported elsewhere in the Annual Report, there were no other related party transactions with the promoters, directors and management that had a potential conflict with the interest of the Company at large.

All the transactions with related parties are periodically placed before the Audit Committee and pre-approval is also obtained wherever required. In fact the price charged to the related party is the same what is charged to third party wherever comparison is possible and otherwise the transactions are at Arm's length and in the ordinary course of business. The Register of Contracts detailing transactions in which Directors are interested is placed before the Board at every meeting for its approval. Transactions with related parties, as per requirements of Ind AS 24, are disclosed in Note No. 36 to the Accounts in the Annual Report and they are not in conflict with the interest of the Company at large.

(b) **Compliances by the Company**

There have been no instances of non-compliance on any matter with the rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India or any other statutory authority relating to the capital market during the last three years.

(c) **Whistle Blower Policy:**

The Company has adopted Whistle Blower Policy (vigil mechanism) and employees are encouraged to report any contravention or suggestion for improved working of the Company.

(d) **Compliance with Mandatory and Non-Mandatory Items**

The Company has complied with all mandatory requirements regarding the Board of Directors, Audit Committee and other Board committees and other disclosures as required under the provisions of the Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The status of compliance in respect of non-mandatory (Discretionary) requirements of Part E of Schedule II under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as follows:

i) The Board

Maintenance of the Non-Executive Chairman's Office: Presently not applicable as the Chairman of the Company is

a Managing Director. At present provisions relating to separation of the Office of the Chairman and Managing Director is not applicable to the Company.

ii) Shareholder Right

As the quarterly and half yearly financial results along with significant events are published in the newspapers and are also posted on the Company's website and Corporate Filing and Dissemination System (CFDS) put in place jointly by BSE and NSE at the http://www.corpfiling.co.in

iii) Audit Qualification

There have been no qualifications by the Statutory Auditors in their report on the Accounts of the Company. The Company shall endeavor to continue to have unqualified financial statements. There have been no qualifications by the Secretarial Auditors in their Secretarial Audit Report.

iv) Reporting of Internal Auditor Partner of the firm of Internal Auditor attends the meetings of the audit committee regularly and directly inter-acts with the audit committee.

v) Web link where policy for determining material subsidiaries is disclosed

Not Applicable

vi) Web link where policy on dealing of with related party transactions:

The web link for policy dealing with related party transactions is at www. gandhitubes.com

vii) Disclosure of commodity price risks and commodity hedging activities

Not Applicable

viii) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

The Company has not rasied any fund through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of LODR Regulations.

14. Certificate from a company secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board / Ministry of Corporate Affairs or any such statutory authority.

The Company has obtained a certificate from Shri Bhumitra V. Dholakia, Designated Partner of Dholakia & Associates LLP, Company Secretaries, and also the secretarial auditor of the Company, regarding confirmation that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board (i.e. SEBI) / Ministry of Corporate Affairs or any such statutory authority. The requisite certificate confirming compliance of this condition is attached to the Report on Corporate Governance.

15. Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons there to.

There was no instance where the Board has not accepted any recommendation of any Committee of the Board.

16. Total fees for all services paid by the Company, to Shashikant J. Shah & Co., Chartered Accountants and Statutory Auditors of the Company, as included in the financial statements of the Company for the year ended March 31, 2020, is as follows:

Particulars	Amount (Rs)
Statutory Audit Fees	6.00
For other services	0.29
Total fees (Rs.)	**6.29**

17. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Disclosure is given in the Board's Report of which the Corporate Governance is forming part.

18. Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) of Part C of Schedule V above, with reasons thereof shall be disclosed.

There is no non-compliance of any of the paras (2) to (10) of Part C of Schedule V—Corporate Governance Report.

19. Adoption of Discretionary requirements as specified in part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has substantially adopted the discretionary requirements as specified in part E of Schedule II of SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015.

20. As per point no. 13 of Part C of Schedule V to the Listing Regulations, the Company has made disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 on the website of the Company – www.gandhispecialtubes.com.

21. CEO/CFO Certifications

The Chairman and the Managing Director and the Chief Financial Officer of the Company have given annual Certification on Financial Statements and the cash flow statement and internal controls for financial reporting to the Board in terms of Regulation 17(8) SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015. They also give the quarterly certification on financial results while placing the financial results before the board in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These certificates have been placed before the board and audit committee meetings from time to time.

22. Declaration by the Managing Director to the Compliance of Code of Conduct in pursuance to Part D of Schedule of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

It is hereby declared that all the Board Members and Senior Management Personnel of the Company have affirmed to the Board of Directors, their compliance with the Code of Conduct of the Company pursuant to Part D of Schedule of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.

Particulars	No. of shareholders	No. of Shares	% age of share capital
Aggregate number of Shareholders and outstanding shares as on 1st April 2019	7,457	1,38,18,616	100
Shareholders who had approached the Company and whose shares were transferred from the suspense account during the year	Nil	Nil	Nil
Shareholders whose shares were transferred to Investor Education and Protection fund	353	1,49,668	1.16
Aggregate number of Shareholders and outstanding shares lying as on 31st March 2020	7,542	1,29,18,616	100

Note: voting rights on these shares will remain frozen till the rightful owner claim these shares

For and on behalf of the Board of Directors

Manhar G. Gandhi
Chairman & Managing Director
DIN: 00041190

Place: Mumbai
Date: August 12, 2020

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Gandhi Special Tubes Limited

1. This report contains details of compliance of condition of Corporate Governance by Gandhi Special Tubes Limited ("the Company") for the year ended 31st March 2020, as stipulated in Regulation 17-27, clause (b) to (i) of Regulation 46 (2) and paragraphs C,D and E of Schedule V of the Securities and Exchange Board of India (Listing obligation and Disclosure Requirements) Regulation, 2015 (SEBI Listing Regulation)

Managements' Responsibility for compliance with the condition of SEBI Listing Regulations

2. The compliance with the conditions of Corporate Governance is the responsibility of the Management of the Company, including the preparation and maintenance of all relevant supporting and records. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

4. Pursuant to the requirement of SEBI Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in SEBI Listing Regulations for the year ended 31st March 2020.

5. We have conducted our examination in accordance with the Guidance Note on Certificate for Special Purpose, Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India ("ICAI"), and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. In our opinion, and to the best of our examination and explanations given to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI Listing Regulations.

8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on use

9. The Certificate is addressed and provided to the member of the Company solely for the purpose to enable the Company to comply with the SEBI Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **SHASHIKANT J SHAH & CO**
Chartered Accountants
Firm Reg.No : 109996W

SHASHIKANT J SHAH
Partner
Membership number : 015905
UDIN : 20015905AAAAAE1067

Mumbai
June 29, 2020

Declaration signed by the Managing Director stating that the members of Board of Directors and Senior Management personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management.

Declaration Regarding Code of Conduct

I hereby declare that all the Directors and Senior Management Personnel have confirmed compliance with the Code of Conduct as adopted by the Company.

Manhar G. Gandhi
Managing Director
DIN: 00041190

Place: Mumbai
Date: June 29, 2020

MD/ CFO Certification

The Board of Directors
Gandhi Special Tubes Limited

(a) We have reviewed the financial statements and the cash flow statement of Gandhi Special Tubes Limited. for the Financial year ending March 31, 2020 and that to the best of our knowledge and belief, we state that;

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
(ii) these statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.

(b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.

(c) we accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.

(d) we have indicated to the Auditors and the Audit Committee:

(i) significant changes, if any, in the internal control over financial reporting during the year.
(ii) significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
(iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours Sincerely,

Manhar G. Gandhi
Managing Director
DIN: 00041190

Shobhana R. Vartak
Chief Financial Officer

Place: Mumbai
Date : June 29, 2020

INDEPENDENT AUDITOR'S REPORT

To
The Members of
GANDHI SPECIAL TUBES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of GANDHI SPECIAL TUBES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and a fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our Report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our Auditor's Report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to Report that fact. We have nothing to Report in this regard.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (Financial Position), Profit or Loss (financial performance), total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial Reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

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 financial statements, 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's 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 statements 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 financial statements, including the disclosures, and whether the financial statements 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our Report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable

2. [A] Further to our comments in "Annexure A", as required by Section 143(3) of the Act, we Report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial Reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   [B] With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No.31 to the Financial Statements.
      ii. The Company has not entered into any long term contracts including derivative contracts for which there were any material foreseeable losses, as required under the applicable law or Indian Accounting Standards.
      iii. There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

[C] With respect to the matter to be included in the Auditors 'Report under section 197(16):

In our opinion and according to the information and explanations given to us the remuneration paid during the current year, where applicable, to its directors is in accordance with the provisions of section 197 read with Schedule V of the Act.

For SHASHIKANT J SHAH & CO.
Chartered Accountants
Firm Reg. No.: 109996W

SHASHIKANT J SHAH
Partner
Membership No.: 015905
UDIN.: 20015905AAAAAB7725

Place : Mumbai
Date : June 29, 2020

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31ST MARCH 2020

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements of our Report to the Members of GANDHI SPECIAL TUBES LIMITED of even date)

i. In respect of the Company's fixed assets:

a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

b. As explained to us, the fixed assets have been physically verified by the management in accordance with the phased programme of verification, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification;

c. According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company. Except the following

(₹ in Lakhs)

Particulars	Lease Hold Land-Wind Mill	Lease Hold Building-Other
Gross Block as at 31 March 2020	25.65	8.35
Net Block as at 31 March 2020	21.80	6.64

ii. As explained to us, the management conducts physical verification of inventory in phased manner. We are informed that at the year ended on 31st March, 2020 physical verification of inventory could not be conducted due to lock down of the factory's operations as per declaration by Government of India for Covid -19 Global Pandemic. Physical verification of inventory was conducted after the restarting of factory from 05-05-2020. This physically verified inventory has been considered for arriving at the inventory position of the year end. No material discrepancies have been noticed on such verification. Considering the above, the physical verification of inventory is considered adequate and has been conducted by the management in accordance with the phased programme of verification, which, in our opinion, is reasonable and no material discrepancies were noticed on such verification.

iii. According the information and explanations given to us, the Company has, during the year, not granted any loans, Secured or unsecured, to Companies, firms, Limited Liability Partnership; or other parties covered in the register maintained under section 189 of the Companies Act, 2013, accordingly, the provision of paragraph 3 (iii), 3(iii) (a) to (c) of the said order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the companies Act 2013 in respect of grant of loans to Directors, Loans and investments and giving guarantees and providing securities, etc. as applicable.

v. The Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Act and Rules framed there under to the extent notified. Accordingly, clause 3(v) not applicable.

vi. We have broadly reviewed the records maintained by the Company in respect of its products, where pursuant to the Company's Cost record and audit) Rules 2014, the maintenance of cost records have been prescribed under Section 148(1) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained, we have not, however, made a detailed examination of records with view to determine whether they are accurate or complete.

vii. a. According to the information and explanation given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues, including Provident Fund, Profession Tax, Investor Education & Protection Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, and other material statutory dues as applicable with the appropriate authorities.

b. The disputed Statutory dues aggregating Rs. 189.73 Lakh which have not been deposited on account of disputed matter pending before appropriate authorities are as under :

Nature of the Statute	Nature of Dues	Amount under dispute not yet deposited	Period to which the Amount Relates	Forum where Dispute is Pending
Service Tax Laws	Service Tax	163.25	01-09-2004 to 30-09-2013	Before Customs, Excise & Service tax Appellate tribunal
Service Tax Laws	Service Tax	1.25	01-03-2012 to 31-12-2012	Before Commissioner (Appeal) Customs, Excise & Service tax
Sales Tax Laws	Sales Tax	25.23	01-04-2002 to 31-03-2003	Before joint Commissioner of sales tax (Appeal)
	Total	**189.73**		

viii. The Company has not taken any loans or borrowings from financial institutions, banks, government or to debenture holders during the year. Accordingly Paragraph 3 (viii) of the Order is not applicable to the company.

ix. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly Paragraph 3 (ix) of the Order is not applicable to the company.

x. According to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on Company by its officers or employees, noticed or Reported during the year in course of our audit, nor have we been informed of any such case by the management.

xi. According to the information and explanations given to us, and based on our examination of the records of the Company, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and According to information and explanations given to us, the Company is not a Nidhi Company. Accordingly Paragraph 3 (xii) of the Order is not applicable to the company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, and the details of such transactions have been disclosed in the Financial Statement as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the company, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures during the year under review. Accordingly, Paragraph 3 (xiv) of the Order is not applicable to the company.

xv. According to the information and explanations given to us and based on examination of the records of the Company, the Company has not entered into any non-cash transactions with its Directors or persons connected with them covered under section 192 of the Companies Act, 2013. Accordingly, Paragraph 3(xv) is not applicable to the company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, Paragraph 3 (xvi) of the Order is not applicable to the company.

For SHASHIKANT J SHAH & CO
Chartered Accountants
Firm Reg. No. :109996W

Shashikant J Shah - Partner
Membership No.:015905
UDIN.: 20015905AAAAAB7725

Place: Mumbai
Date: June 29, 2020

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2[A] (f) under 'Report on Other Legal and Regulatory Requirements section of our Report to the Members of GANDHI SPECIAL TUBES LIMITED of even date)

Report on the Internal Financial Controls over financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial Reporting of GANDHI SPECIAL TUBES LIMITED ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial Reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on company's internal financial controls over financial Reporting with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the Institute of Chartered Accountants of India and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent deemed applicable to an audit of internal financial controls, Both applicable to an audit of internal financial controls and both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial Reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial Reporting with reference to financial statement and their operating effectiveness. Our audit of internal financial controls over financial Reporting included obtaining an understanding of internal financial controls over financial Reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial Reporting with reference to these financial statements of the Company.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statement

A company's internal financial control over financial Reporting with reference to these financial statement is a process designed to provide reasonable assurance regarding the reliability of financial Reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial Reporting with reference to these financial statements includes those policies and procedures that:-

1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting With reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial Reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial Reporting with reference to financial statements to future periods are subject to the risk that the internal financial control over financial Reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial Reporting with reference to these financial statement and such internal financial controls over financial Reporting with reference to these financial statements were operating effectively as at March 31, 2020, based on the internal control over financial Reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SHASHIKANT J SHAH & CO.
Chartered Accountants
Firm Reg. No.: 109996W

SHASHIKANT J SHAH
Partner
Membership No.: 015905
UDIN: 20015905AAAAAB7725

Place: Mumbai
Date: June 29, 2020

BALANCE SHEET AS AT 31 MARCH 2020

₹ in Lakhs

	Particulars	Note No.	As at 31 March 2020 ₹	As at 31 March 2019 ₹
A	**ASSETS**			
1	**Non-Current Assets**			
	a) Property Plant and Equipment	2	**4,836.99**	5,125.77
	b) Other Intangible Assets	3	**3.09**	2.56
	c) Financial Assets			
	i) Investments	4	**3,851.39**	7,252.67
	ii) Other Financial Assets	5	**7.21**	4.85
	Total Non-Current Assets		**8,698.68**	12,385.85
2	**Current Assets**			
	a) Inventories	6	**2,522.04**	2,694.20
	b) Financial Assets			
	i) Investments	7	**3,034.89**	4,736.65
	ii) Trade Receivables	8	**1,472.23**	1,537.89
	iii) Cash and Cash Equivalents	9	**56.07**	213.90
	iv) Other Bank Balances	10	**154.69**	137.61
	v) Loans	11	**75.83**	80.23
	vi) Other Financial Assets	12	**63.03**	62.71
	c) Other Current Assets	13	**92.70**	237.92
	Total Current Assets		**7,471.48**	9,701.11
	TOTAL ASSETS	TOTAL	**16,170.16**	22,086.96
B	**EQUITY AND LIABILITIES**			
1	**Equity**			
	a) Equity Share Capital	14	**645.93**	690.93
	b) Other Equity	15	**14,011.25**	19,413.90
	Total Equity		**14,657.18**	20,104.83
2	**Liabilities**			
	Non-Current Liabilities			
	a) Other Financial Liabilities	16	**30.28**	-
	b) Provisions	17	**327.48**	308.90
	c) Deferred Tax Liabilities (net)	18	**662.82**	857.03
	Total Non-Current Liabilities		**1,020.58**	1,165.93
	Current Liabilities			
	a) Financial Liabilities			
	i) Trade Payables	19	**101.71**	172.89
	ii) Other Financial Liabilities	20	**193.56**	386.12
	b) Other Current Liabilities	21	**138.12**	150.50
	c) Provisions	22	**42.66**	40.47
	d) Current Tax Liabilities (Net)	23	**16.35**	66.22
	Total Current Liabilities		**492.40**	816.20
	Total Liabilities		**1,512.98**	1,982.13
	TOTAL EQUITY AND LIABILITIES	TOTAL	**16,170.16**	22,086.96
	Significant Accounting Policies	1		
	See accompanying notes to the financial statements	1 to 41		

As per our attached report of even date

For Shashikant J. Shah & CO.
Chartered Accountants
Firm Reg. No. 109996W

Shashikant J. Shah
Partner

Membership No. 015905

Mumbai, 29 June 2020

For and on behalf of the Board of Directors

M. G. GANDHI
(Chairman & Managing Director)
(DIN 00041190)

B. G. GANDHI
(Joint Managing Director)
(DIN 00041273)

K. N. WARDEN
(Director)
(DIN 00045840)

J. M. GANDHI
(Director)
(DIN 00041330)

D. B. SHAH
(Director)
(DIN 01834884)

BHAVI KORADIA
(Director)
(DIN 07004836)

SHOBHANA RAJAN VARTAK
(CFO)

JITENDRA DATTARAM KHADYE
(Company Secretary)

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31 MARCH 2020

₹ in Lakhs except Earnings per share

	Particulars	Note No.	As at 31 March 2020 ₹	As at 31 March 2019 ₹
	INCOME			
1	**Revenue from Operations**	24	**8,093.84**	12,290.68
2	**Other Income**	25	**571.12**	770.87
	Total Income		**8,664.96**	13,061.55
3	**EXPENSES**			
	a) Cost of Materials Consumed	-	**3,001.67**	4,376.21
	b) Changes in Inventories of Finished Goods and Work-in-Progress	26	**(11.06)**	(122.30)
	c) Employee Benefits Expense	27	**655.67**	846.60
	d) Depreciation and Amortization Expense	2 & 3	**355.48**	369.05
	e) Other Expenses	28	**2,056.28**	2,616.65
	f) Financial Charges	29	**4.22**	-
	Total Expenses		**6,062.26**	8,086.21
4	**Profit before Tax**		**2,602.70**	4,975.34
5	**Tax Expense**			
	a) Current Tax	30	**662.00**	1,068.25
	b) Deferred Tax	30	**(196.58)**	43.96
	Total Tax Expenses		**465.42**	1,112.21
6	**Profit for the year**		**2,137.28**	3,863.13
7	**Other Comprehensive Income**			
	Items that will not be reclassified subsequently to profit or loss			
	a) Remeasurement [gain/(loss)] of net Defined Benefit Plan		**9.42**	24.91
	b) Income tax on above		**(2.37)**	(7.25)
	Total Other Comprehensive Income		**7.05**	17.66
8	**Total Comprehensive Income for the year**		**2,144.33**	3,880.79
9	**Earning per share (of ` 5/- each)**			
	Basic and Diluted	35	**15.93**	27.96
	Significant Accounting Policies	1		
	See accompanying notes to the financial statements	1 to 41		

As per our attached report of even date

For Shashikant J. Shah & CO.
Chartered Accountants
Firm Reg. No. 109996W

Shashikant J. Shah
Partner

Membership No. 015905

Mumbai, 29 June 2020

For and on behalf of the Board of Directors

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SHOBHANA RAJAN VARTAK
(CFO)

JITENDRA DATTARAM KHADYE
(Company Secretary)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

A. EQUITY SHARE CAPITAL

₹ in Lakhs

Particulars	Note No.	Number of Shares	Amount
Balance as at 1 April 2018		**1,38,18,616**	**690.93**
Add / (Less) : Changes during the year		**-**	**-**
Balance as at 31 March 2019		**1,38,18,616**	**690.93**
Add / (Less) : Changes due to Buy back during the year		**(9,00,000)**	**(45.00)**
Balance as at 31 March, 2020	**14**	**1,29,18,616**	**645.93**

B. OTHER EQUITY

Particulars	Reserves and Surplus			
	Capital Reserve ₹	Capital Redemption Reserve ₹	Retained Earnings ₹	Total ₹
Balance as at 1 April 2018	5.39	253.99	16773.05	17,032.43
Profit for the year	-	-	3863.13	3,863.13
Other Comprehensive Income for the year				
- Remeasurement gain/(loss) on Defined Benefit Plan (Net of tax)	-	-	17.66	17.66
Transfer to Capital Redemption Reserve	-	-	-	-
Dividend (including Dividend Distribution Tax)	-	-	(1499.32)	(1,499.32)
Balance as at 31 March 2019	5.39	253.99	19154.52	19,413.90
Profit for the year	**-**	**-**	**2137.28**	**2,137.28**
Other Comprehensive Income for the year				
- Remeasurement gain/(loss) on Defined Benefit Plan (Net of tax)	**-**	**-**	**7.05**	**7.05**
Transfer to Capital Redemption Reserve (9,00,000 shares of Rs.5/- each)	**-**	**45.00**	**(45.00)**	**-**
Dividend (including Dividend Distribution Tax)	**-**	**-**	**(1,499.31)**	**(1,499.31)**
Premium paid on Buy Back of Equity shares (including Buy Back Tax)	**-**	**-**	**(6,047.67)**	**(6,047.67)**
Balance as at 31 March 2020	**5.39**	**298.99**	**13,706.87**	**14,011.25**

As per our attached report of even date

For Shashikant J. Shah & CO.
Chartered Accountants
Firm Reg. No. 109996W

Shashikant J. Shah
Partner

Membership No. 015905

Mumbai, 29 June 2020

For and on behalf of the Board of Directors

M. G. GANDHI
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(CFO)

JITENDRA DATTARAM KHADYE
(Company Secretary)

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 2020

₹ in Lakhs

	Particulars	As at 31 March 2020 ₹	As at 31 March 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 Expenses	**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 & Short-term Provisions	**(273.92)**	(107.60)
	Increase / (Decrease) in Non-Current Liabilities	**48.87**	2.08
		159.71	(462.78)
	Cash generated from Operations	**2,570.70**	4,157.89
	Taxes paid	**(711.87)**	(1,047.96)
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)	**1,858.83**	3,109.93
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	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 FROM (USED IN) INVESTING ACTIVITIES (B)	**5,596.63**	(1,711.61)

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 2020

₹ in Lakhs

	Particulars		As at 31 March 2020 ₹	As at 31 March 2019 ₹
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
	Significant Accounting Policies	**1**		
	See accompanying notes to the financial statements	**1 to 41**		

As per our attached report of even date

For Shashikant J. Shah & CO.
Chartered Accountants
Firm Reg. No. 109996W

Shashikant J. Shah
Partner

Membership No. 015905

Mumbai, 29 June 2020

For and on behalf of the Board of Directors

M. G. GANDHI
(Chairman & Managing Director)
(DIN 00041190)

B. G. GANDHI
(Joint Managing Director)
(DIN 00041273)

K. N. WARDEN
(Director)
(DIN 00045840)

J. M. GANDHI
(Director)
(DIN 00041330)

D. B. SHAH
(Director)
(DIN 01834884)

BHAVI KORADIA
(Director)
(DIN 07004836)

SHOBHANA RAJAN VARTAK
(CFO)

JITENDRA DATTARAM KHADYE
(Company Secretary)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Notes forming Part of the Financial Statements

Corporate Information

Gandhi Special Tubes Limited ("the Company") is engaged in manufacture of Seamless and Welded Steel Tubes, Nuts and generation of Wind Power.

The Company is a public limited company incorporated and domiciled in India and has its registered office at 201-204, Plaza, 2nd Floor. Near Dharam Palace, 55 Hughes Road, Mumbai - 400004. The equity shares of the Company are listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange (NSE).

The financial statements for the year ended 31 March, 2020 are approved by the Company's Board of Directors on 29 June, 2020.

1 Significant Accounting Policies

1.1 Basis of Preparation

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies Act as amended and notified under Section 133 of the Companies Act, 2013 (the 'Act') and accounting principle generally accepted in India.

These financial Statements are prepared on an accrual basis under the historical cost convention or amortised cost, except for the following assets and liabilities, which have been measured at fair value :

i) Certain financial assets and liabilities that are measured at fair value

ii) Defined Benefit Obligations – as per actuarial valuation

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency and all amounts are rounded off, except when otherwise indicated.

1.2 Property, Plant and Equipment (PPE)

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE (other than Freehold Land) are stated at cost less accumulated depreciation and impairment losses, if any. The initial cost of an asset comprises its purchase price, non- refundable purchase taxes and any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any.

Freehold land is carried at historical cost.

The carrying amount of an item of PPE is derecognised upon disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the derecognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in Statement of Profit and Loss.

Depreciation :

Depreciation on Property, Plant and Equipment, Leasehold Assets (other than freehold land) is provided on the Straight-Line Method as per the useful life prescribed under Schedule II to the Companies Act, 2013, except for Wind Mill, which is provided on Written Down value Method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

1.3 Intangible Assets

Intangible assets are initially recognised at cost. Intangible assets are amortised over estimated useful life of three years on straight- line basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1.4 Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount, which is the higher of the value in use or fair value less cost to sell, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

An impairment loss is recognised immediately in the Statement of Profit and Loss. When an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but upto the amount that would have been determined, had no impairment loss been recognized for that asset or cash generating unit. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

1.5 Current versus Non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification. An asset is treated as current when it is :

i) Expected to be realised or intended to be sold or consumed in normal operating cycle

ii) Held primarily for the purpose of trading

iii) Expected to be realised within twelve months after the reporting period, or

iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

All liability is current when :

It is expected to be settled in normal operating cycle

ii) It held primarily for the purpose of trading

iii) It is due to be settled within twelve months after the reporting period, or

iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current / non-current classification of assets and liabilities.

1.6 Inventories

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials, fuels, stores and spares are valued at lower of cost and net realisable value. Cost is determined on the basis of the FIFO method. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Work-in-progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials, labour, other direct cost and a proportion of manufacturing overheads based on normal operating capacity.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

1.7 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit / loss before extraordinary items and tax for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments. Cash flows from operating, investing and financing activities of the Company are segregated. Cash and cash equivalents for the purpose of cash flow statement comprise of cash at bank, cash in hand and short-term deposits with an original maturity of three months or less, as reduced by bank overdrafts.

1.8 Provisions, Contingent liabilities and Contingent Assets

Provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provision is not recognised for future operating losses.

Provision is measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, the amount of provision is discounted using an appropriate pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent liability is disclosed in case of a present obligation arising from past events, when it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. A Contingent Liability is also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent Assets are not recognised but where an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

1.9 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

a) Sale of Goods

Revenue from sale of goods is recognised upon transfer of significant risk and rewards of ownership of the goods to the customer which generally coincides with dispatch of goods to customer. Sales include excise duty but exclude Goods and Service Tax (GST). It is measured at fair value of consideration received or receivable, net of returns, rebates and discounts.

Income from Wind Power is recognised at the point of generation.

b) Rendering of Services

Revenue from services are recognised as and when the services are rendered on stage of completion method.

c) Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

d) Dividends

Dividend income from investments is recognised when the Company's right to receive dividend is established, which is generally when the shareholders approve the dividend.

e) Export incentives

Export incentives are recognised when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received.

1.10 Adoption of IND AS 116

The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with no cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company's lease asset classes primarily consist of lease for Land on which windmill has been installed for power generation and godown at Mumbai. At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight line basis over the term of the lease. The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at the present value of the future lease payments. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

1.11 Employee Benefits

Employee benefits include Provident Fund, Employee State Insurance Scheme, Gratuity Fund, Leave Encashment.

a) Short-Term and Other Long-term Employee Benefits

A liability is recognised for benefits accruing to employees in respect of short-term employee benefits in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. A liability is recognised for benefits accruing to employees in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by the employees up to the reporting date.

b) Defined Contribution Plan

The Company's contribution to Provident Fund and Employee State Insurance Scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

c) Defined Benefit Plan

i) Gratuity

In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan ("Gratuity Plan") covering all employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

and the years of employment with the Company. Liability with regard to Gratuity Plan is accrued based on actuarial valuation at the Balance Sheet date, carried out by an independent actuary.

Payment for present liabilities of future payment of gratuity for all employees other than Managing Director and Joint Managing Director is being made to approved gratuity fund managed by Life Insurance Corporation of India (LIC).

Re-measurement, comprising actuarial gains and losses, is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur. Re-measurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to Profit and Loss. Past service cost is recognised in the Statement of Profit and Loss immediately for both vested and the non-vested portion.

ii) Compensated Absences

The Company provides for the encashment of absence or absence with pay based on policy of the Company in this regard. The employees are entitled to accumulate such absences subject to certain limits, for the future encashment or absence. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the Balance Sheet date on the basis of an independent actuarial valuation.

1.12 Taxes on Income

Income tax expense represents the sum of the tax currently payable and deferred tax.

a) Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period and the provisions of the Income Tax Act, 1961 and other tax laws, as applicable.

b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

MAT Credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time and hence, it is grouped with Deferred Tax Asset.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

c) Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

1.13 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.14 Foreign Currency Transactions

Transaction in foreign currencies are initially recorded in the functional currency, using the spot exchange rate at the date of the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items recognised in statement of Profit and Loss. Non monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transactions.

1.15 Financial Instruments

a) Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

At initial recognition, financial assets and financial liabilities are initially measured at fair value or at amortised cost. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at Fair Value through Profit or Loss are recognised in the Statement of Profit and Loss.

b) Financial Assets

i) Subsequent measurement

All recognised financial assets are subsequently measured in its entirety at either amortised cost or fair value, depending on the classification of the financial assets.

ii) Impairment of financial assets

For Trade Receivables, the Company computes expected credit loss allowance based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

c) Financial Liabilities and Equity Instruments

i) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received.

ii) Financial Liabilities

All financial liabilities (other than derivative financial instruments) are measured at amortised cost using effective interest method at the end of reporting periods.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

d) Derecognition of Financial Assets and Liabilities

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or when the Company transfers the contractual rights to receive the cash flows of the financial asset in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and does not retain control of the financial asset. The Company derecognises a financial liability (or a part of financial liability) when the contractual obligation is discharged, cancelled or expires.

1.16 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires the management to make judgements, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, income and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

1.17 Key estimates, assumptions and judgements

The key assumptions concerning the future and other major sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

a) Property, Plant and Equipment/Intangible Assets

Property, Plant and Equipment/ Other Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/ amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

b) Leased Assets

Identification of a lease requires significant judgment in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the RBI lending rates increased by 2%.

c) Fair Value measurements of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets (Net Assets Value in case of units of Mutual Funds), their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

d) Employee Benefit Plans

The cost of the defined benefit gratuity plan and other-post employment benefits and the present value of gratuity obligations and compensated absences is/ are determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Further salary increases and gratuity increases are based on expected future inflation rates.

e) Impairment of Assets

The Company has used certain judgements and estimates to work out future projections and discount rates to compute value in use of cash generating unit and to access impairment. In case of certain assets independent external valuation has been carried out to compute recoverable values of these assets.

f) Impairment of Financial Assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

g) Income taxes

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions as also to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits. Also refer Note No. 30.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

2 PROPERTY, PLANT AND EQUIPMENT

Particulars	As at 31 March 2020 ₹	As at 31 March 2019 ₹
Owned Assets	**4,808.55**	5,125.77
Leased Assets	**28.44**	-
Total	**4,836.99**	5,125.77

A) Owned Assets

₹ in Lakhs

Particulars	Freehold Land and Site Development	Building - Factory	Building - Others	Plant and Machinery	Furniture and Fixtures	Office Equipment's	Vehicles	Wind Mills	Total
	₹	₹	₹	₹	₹	₹	₹	₹	₹
(I) Gross Carrying Value									
Balance as at April 1, 2018	71.80	898.62	1,188.11	3,129.65	43.66	13.03	26.96	492.30	5,864.13
Additions during the year	-	0.42	-	305.23	-	1.56	67.13	-	374.34
Deductions/Adjustments during the year	-	-	-	(9.15)	-	(0.12)	(51.42)	-	(60.69)
Balance as at March 31, 2019	71.80	899.04	1,188.11	3,425.73	43.66	14.47	42.67	492.30	6,177.78
Additions during the year	-	-	-	29.84	-	1.62	-	-	31.46
Deductions/Adjustments during the year	-	-	-	-	-	(0.15)	(4.71)	-	(4.86)
Balance as at March 31, 2020	**71.80**	**899.04**	**1,188.11**	**3,455.57**	**43.66**	**15.94**	**37.96**	**492.30**	**6,204.38**
(II) Accumulated Depreciation									
Balance as at April 1, 2018	-	89.68	54.20	480.40	14.30	7.38	(29.06)	108.23	725.13
Depreciation expense for the year	-	34.30	26.51	238.23	6.04	2.67	15.17	44.82	367.74
Deductions/Adjustments during the year	-	-	-	(4.55)	-	(0.08)	(36.24)	-	(40.87)
Balance as at March 31, 2019	-	123.98	80.71	714.08	20.34	9.97	(50.13)	153.05	1,052.00
Depreciation expense for the year	-	34.33	26.51	224.46	6.04	1.88	15.50	39.58	348.30
Deductions/Adjustments during the year	-	-	-	-	-	(0.14)	(4.35)	-	(4.49)
Balance as at March 31, 2020	**-**	**158.31**	**107.22**	**938.54**	**26.38**	**11.71**	(38.98)	**192.63**	**1,395.81**
(III) Net Carrying Value (I-II)									
Balance as at 31 March 2019	71.80	775.07	1,107.40	2,711.64	23.31	4.50	92.80	339.25	5,125.77
Balance as at 31 March 2020	**71.80**	**740.74**	**1,080.89**	**2,517.02**	**17.26**	**4.23**	**76.94**	**299.67**	**4,808.55**

B) Leased Assets

₹ in Lakhs

Particulars	Leasehold Land ₹ in Lakhs	Building - Others ₹ in Lakhs	Total ₹ in Lakhs
(I) Gross Carrying Value			
Balance as at March 31, 2019	-	-	-
Additions during the year	25.65	8.35	34.00
Deductions	-	-	-
Balance as at March 31, 2020	**25.65**	**8.35**	**34.00**
(II) Accumulated Depreciation			
Balance as at March 31, 2019	-	-	-
Depreciation	3.85	1.71	5.56
Deductions	-	-	-
Balance as at March 31, 2020	**3.85**	**1.71**	**5.56**
(iii) Net Carrying Value (I-II)			
Balance as at March 31, 2019	-	-	-
Balance as at March 31, 2020	**21.80**	**6.64**	**28.44**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

NOTES :

Ministry of Corporate Affairs has notified Ind AS 116 "Leases" which is effective from 01st April, 2019. Pursuant to this, the Company has applied this standard to all lease contracts existing on 01st April, 2019 using the modified retrospective approach with the no cumulative effect at the date of initial application. On that date, the Company recognised a lease liability measured at the present value of the remaining lease payments using the RBI's average lending rate plus 2% and corresponding Right of Use (ROU) asset measured at an amount equivalent to lease liability. Therefore, there is no effect of adopting Ind AS 116 on retained earnings as at 01st April, 2019, with no restatement of comparative information. Comparatives for the year ended 31st March, 2019 continue to be reported under the accounting policies included as part of our Annual Report for year ended 31st March, 2019. Thus, on transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of INR 34.00 lakhs, and a lease liability of INR 34.00 lakhs

In view of this, the operating lease rent which was hitherto accounted under 'Other expenses' in previous periods has now been accounted as depreciation and finance costs. Accordingly the profit for the current year ended 31st March, 2020 is lower by INR 1.84 lakhs (net). The financial results of current year ended 31st March, 2020 includes, an increase of INR 5.56 lakhs in depreciation for the right of use assets, increase of INR 4.22 lakhs in finance costs on lease liability and decrease in operating lease rent cost of INR 7.94 lakhs.

3 OTHER INTANGIBLE ASSETS

Particulars	Software Licences ₹ in Lakhs	Total ₹ in Lakhs
(I) Gross Carrying Value		
Balance as at April 1, 2018	2.89	2.89
Additions during the year	3.73	3.73
Deductions/Adjustments during the year	-	-
Balance as at March 31, 2019	6.62	6.62
Additions during the year	2.15	2.15
Deductions/Adjustments during the year	-	-
Balance as at March 31, 2020	**8.77**	**8.77**
(II) Accumulated Depreciation		
Balance as at April 1, 2018	2.74	2.74
Depreciation expense for the year	1.31	1.31
Deductions/Adjustments during the year	-	-
Balance as at March 31, 2019	4.05	4.05
Depreciation expense for the year	1.62	1.62
Deductions/Adjustments during the year	-	-
Balance as at March 31, 2020	**5.67**	**5.67**
(iii) Net Carrying Value (I-II)		
Balance as at March 31, 2019	2.56	2.56
Balance as at March 31, 2020	**3.09**	**3.09**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

4 NON-CURRENT INVESTMENTS

Particulars			As at 31 March 2020 ₹ in Lakhs	As at 31 March 2019 ₹ in Lakhs
Investments measured at amortised cost				
In bonds (Quoted, fully paid up)	***Number of units***			
6.70%-Indian Railway Finance Corporation Ltd. Tax Free Bonds	**-**	(100)	**-**	92.50
7.28%-Indian Railway Finance Corporation Ltd. Tax Free Bonds	**12,080**	(12,080)	**120.80**	120.80
7.35%-NABARD Tax Free Bonds	**2,004**	(2,004)	**20.04**	20.04
7.35%-Indian Railway Finance Corporation Ltd. Tax Free Bonds	**3,527**	(3,527)	**35.27**	35.27
7.35%-NHAI Limited Tax Free Bonds	**14,285**	(14,285)	**142.85**	142.85
7.39%-NHAI Limited Tax Free Bonds	**6,167**	(6,167)	**61.67**	61.67
7.39%-HUDCO Ltd. Tax Free Bonds	**8,408**	(8,408)	**84.08**	84.08
8.20%-NHAI Limited Tax Free Bonds	**1,236**	(1,236)	**12.36**	12.36
8.30%-NHAI Limited Tax Free Bonds	**23,736**	(23,736)	**245.80**	245.80
8.30%-Power Finance Corporation Ltd. Tax Free Bonds	**27,500**	(27,500)	**283.72**	283.72
8.41%-NTPC Limited Tax Free Bonds	**9,499**	(9,499)	**94.99**	94.99
8.41%-India Infrastructure Finance Co. Ltd. Tax Free Bonds	**30,000**	(30,000)	**300.00**	300.00
8.46%-Rural Electrification Corporation Ltd. Tax Free Bonds	**10,000**	(-)	**120.75**	-
11.40%-Tata Power Ltd. Taxable Bonds	**10**	(10)	**101.25**	101.25
11.50%-Tata Steel Ltd. Taxable Bonds	**10**	(10)	**102.65**	102.65
	Total		**1,726.23**	1,697.98
Investments measured at Fair Value through Profit & Loss				
In Mutual Funds (Unquoted, fully paid up)				
Long-term Mutual Funds :	***Number of units***			
HDFC Equity Saving Fund - Direct plan-Growth option	**7,14,584**	(7,14,584)	**251.70**	278.89
Reliance Hybrid Bond Fund - Growth option	**-**	(42,97,915)	**-**	1,874.70
	Total		**251.70**	2,153.59
Fixed Maturity Plans :	***Number of units***			
Aditya Birla Sun Life Fixed Term Plan (1099D)-Regular Growth-Series QW	**10,00,000**	(10,00,000)	**106.42**	104.28
HDFC Charity Fund For Cancer Cure-Arbitrage Plan-50% Dividend Donation	**-**	(5,00,000)	**-**	50.04
HDFC FMP (1178D Feb-2017-1)-Direct Plan-Growth Option-Series-37	**-**	(40,00,000)	**-**	472.10
HDFC FMP (1188D Mar-2017-1)-Direct Plan-Growth Option-Series-38	**-**	(40,00,000)	**-**	465.36
HDFC FMP (1166D May-2017-1)-Direct Plan-Growth Option-Series-38	**-**	(20,00,000)	**-**	230.27
HDFC FMP (1141D August-2018-1)-Direct Plan-Growth Option-Series-42	**50,00,000**	(50,00,000)	**564.96**	523.80
HDFC FMP (1344D October-2018-1)-Direct Plan-Growth Option-Series-43	**30,00,000**	(30,00,000)	**346.94**	315.17
HDFC FMP (1232D November-2018-1)-Direct Plan-Growth Option-Series-43	**20,00,000**	(20,00,000)	**230.55**	209.47
HDFC FMP (1190D January-2019-1)-Direct Plan-Growth Option-Series-43	**4,99,990**	(4,99,990)	**56.15**	51.41
Kotak FMP (1063D)-Direct plan-Growth Option-Series 239	**20,00,000**	(20,00,000)	**229.85**	210.30
Nippon India Fixed Horizon Fund-XXXIII-Growth Option-Series-5	**-**	(10,00,000)	**-**	116.62
Nippon India Fixed Horizon Fund-XXVI-Growth Option-Series-6	**-**	(30,00,000)	**-**	337.58
Nippon India Fixed Horizon Fund-XXXVIII-Growth Option-Series-11	**30,00,000**	(30,00,000)	**338.59**	314.70
			1,873.46	3,401.10
		Total	**2,125.16**	5,554.69
		Total	**3,851.39**	7,252.67
Aggregate amount of quoted investments			**1,726.23**	1,697.98
Aggregate market value of quoted investments			**1,944.21**	1,856.71
Aggregate amount of Unquoted investments			**2,125.16**	5,554.70

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

5 OTHER NON-CURRENT FINANCIAL ASSETS

Particulars		As at 31 March 2020 ₹ in Lakhs	As at 31 March 2019 ₹ in Lakhs
Deposits		**7.21**	4.85
	Total	**7.21**	4.85

6 INVENTORIES

Particulars		As at 31 March 2020 ₹ in Lakhs	As at 31 March 2019 ₹ in Lakhs
Raw Materials		**1,719.64**	1,839.36
Work-in-progress		**419.85**	456.24
Finished goods		**92.41**	44.96
Stores and spares		**290.14**	353.64
	Total	**2,522.04**	2,694.20

7 CURRENT INVESTMENTS

Particulars			As at 31 March 2020 ₹ in Lakhs	As at 31 March 2019 ₹ in Lakhs
Investments measured at Fair Value through Profit & Loss In				
Mutual Funds (Unquoted, fully paid up)				
Short-term Mutual Funds :	***Number of units***			
Birla Sun Life MIP II-Wealth 25 - Regular Plan-Growth option	**5,59,947**	(5,59,947)	**-**	217.93
	Total		**-**	217.93
Fixed Maturity Plans :	***Number of units***			
HDFC FMP (1161D Feb-2016-1) - Regular Plan-Growth option	**-**	(10,00,000)	**-**	132.26
HDFC FMP (1161D Feb-2016-1) - Direct plan-Growth option	**-**	(20,00,000)	**-**	269.74
HDFC FMP (1140D Mar-2016-1) - Regular Plan-Growth option	**-**	(40,00,000)	**-**	524.72
HDFC FMP (1153D Apr-2016-1) - Direct plan-Growth option	**-**	(50,00,000)	**-**	643.59
HDFC Charity Fund For Cancer Cure-Arbitrage Plan-50% Dividend Donation	**5,00,000**	(-)	**50.23**	-
HDFC FMP (1178D Feb-2017-1)-Direct Plan-Growth Option-Series-37	**40,00,000**	(-)	**514.86**	-
HDFC FMP (1188D Mar-2017-1)-Direct Plan-Growth Option-Series-38	**40,00,000**	(-)	**511.25**	-
HDFC FMP (1166D May-2017-1)-Direct Plan-Growth Option-Series-38	**20,00,000**	(-)	**251.80**	-
Nippon India Fixed Horizon Fund-XXXIII-Growth Option-Series-5	**10,00,000**	(-)	**118.96**	-
Nippon India Fixed Horizon Fund-XXVI-Growth Option-Series-6	**30,00,000**	(-)	**344.54**	-
	Total		**1,791.64**	1,570.31
Liquid mutual funds :	***Number of units***			
HDFC Money Market Fund - Daily Dividend Reinvestment	**1,16,887**	(2,27,200)	1,243.25	2,948.41
	Total		**1,243.25**	2,948.41
	Total		**3,034.89**	4,736.65
Aggregate amount of Unquoted investments			**3,034.89**	4,736.65

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

8 TRADE RECEIVABLES

Particulars	As at 31 March 2020 ₹ in Lakhs	As at 31 March 2019 ₹ in Lakhs
Trade Receivables :		
Secured, considered Good	**7.00**	14.90
Unsecured, considered Good	**1,462.23**	1,522.99
Trade Receivables which have significant increase in Credit Risk	**3.00**	-
Trade Receivables - Credit Impaired	**-**	-
Total	**1,472.23**	1,537.89

9 CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2020 ₹ in Lakhs	As at 31 March 2019 ₹ in Lakhs
Balances with Banks		
- In Current Accounts	**54.92**	212.88
Cash on hand	**1.15**	1.02
Total	**56.07**	213.90

10 OTHER BANK BALANCES

Particulars	As at 31 March 2020 ₹ in Lakhs	As at 31 March 2019 ₹ in Lakhs
Earmarked Balances with Bank		
- In Dividend Accounts	**154.69**	137.61
Total	**154.69**	137.61

11 LOANS

Particulars	As at 31 March 2020 ₹ in Lakhs	As at 31 March 2019 ₹ in Lakhs
Security Deposits :		
Secured, considered Good	**-**	-
Unsecured, considered Good	**75.83**	80.23
Security Deposits which have significant increase in Credit Risk	**-**	-
Security Deposits - Credit Impaired	**-**	-
Total	**75.83**	80.23

12 OTHER FINANCIAL ASSETS

Particulars	As at 31 March 2020 ₹ in Lakhs	As at 31 March 2019 ₹ in Lakhs
Other Short-term advances	**0.39**	0.23
Interest accrued on deposits	**3.66**	3.52
Interest accrued on Non-current Investments-Bonds	**58.98**	58.96
Total	**63.03**	62.71

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

13 OTHER CURRENT ASSETS

Particulars	As at 31 March 2020 ₹ in Lakhs	As at 31 March 2019 ₹ in Lakhs
Prepaid Expenses	**24.71**	27.17
Balances with Government authorities	**54.37**	171.72
Advances to Suppliers	**7.79**	26.50
Other Current Assets	**5.83**	12.53
Total	**92.70**	237.92

14 SHARE CAPITAL

Particulars	As at 31 March 2020		As at 31 March 2019	
	Numbers	Amount ₹ in Lakhs	Numbers	Amount ₹ in Lakhs
AUTHORISED				
Equity Shares of ₹ 5/- each	**2,40,00,000**	**1,200.00**	2,40,00,000	1,200.00
Total	**2,40,00,000**	**1,200.00**	2,40,00,000	1,200.00
ISSUED, SUBSCRIBED AND PAID UP				
Equity Shares of ₹ 5/- each fully paid up	**1,29,18,616**	**645.93**	1,38,18,616	690.93
Total	**1,29,18,616**	**645.93**	**1,38,18,616**	690.93

a) Details of shares held by each shareholder holding more than 5% shares:

Name of Shareholders	As at 31 March 2020		As at 31 March 2019	
	No. of Shares	%	No. of Shares	%
1) Manhar G. Gandhi	**20,14,045**	15.59	21,99,141	15.91
2) Bhupatrai G. Gandhi	**19,24,913**	14.90	20,55,205	14.87
3) Jayesh M. Gandhi	**10,32,498**	7.99	10,99,796	7.96
4) Manoj B. Gandhi	**9,69,816**	7.51	10,33,260	7.48
5) Bharti M. Gandhi	**6,94,265**	5.37	7,39,022	5.35

b) Reconciliation of number of shares

Particulars	As at 31 March 2020	As at 31 March 2019
	No. of Shares	No. of Shares
Shares at the beginning	**1,38,18,616**	1,38,18,616
Less: Buy back of shares	**(9,00,000)**	-
	1,29,18,616	1,38,18,616

c) Rights, preferences and restrictions attached to equity shares :

The Company has one class of equity shares having a par value of ₹ 5/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

15 OTHER EQUITY

Particulars	As at 31 March 2020 ₹ in Lakhs	As at 31 March 2019 ₹ in Lakhs
CAPITAL RESERVE		
Surplus (Gain) on Forfeited Shares		
Balance as per last Balance Sheet	**5.39**	5.39
Closing balance	**5.39**	5.39
CAPITAL REDEMPTION RESERVE		
Balance as per last Balance Sheet	**253.99**	253.99
Add : Additions during the year	**45.00**	-
Closing balance	**298.99**	253.99
RETAINED EARNINGS		
Balances as at the beginning of the Year	**19,154.52**	16,773.04
Add : Profit for the year	**2,137.28**	3,863.13
Other Comprehensive Income for the year	**7.05**	17.66
Less : Dividend on Equity shares	**1,243.67**	1,243.67
Tax on Dividend	**255.64**	255.64
Less : Transferred to Capital Redemption Reserve	**45.00**	-
Premium paid on Buy Back of Shares	**4,905.00**	-
Tax on Buy Back of Shares	**1,142.67**	-
Closing balance	**13,706.87**	19,154.52
Total	**14,011.25**	19,413.90

The Company concluded the buy back of 9,00,000 Equity Shares of ₹ 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 ₹ 550 per equity share for an aggregate amount of ₹ 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 including extinguishment of shares was completed on 24 October 2019, the effect for which is given in the Financial Statement for the year ended 31 March 2020. Consequent to the Buy-Back, Share Capital and Retained Earnings were reduced by ₹ 45 Lakhs and ₹ 4905 Lakhs respectively.

15.1 Description of the nature and purpose of each reserve within equity is as follows:

a) Capital Reserve
It represents the gains of capital nature on forfeiture of shares.

b) Capital Redemption Reserve
It represents reserve created during buy back of Equity Shares and it is a non-distributable reserve.

c) Retained Earnings
Retained earnings are the profits that the Company has earned till date and is net of amount transferred to other reserves such as general reserves etc., amount distributed as dividend and adjustments on account of transition to Ind AS.

16 OTHER FINANCIAL LIABLITIES

Particulars	As at 31 March 2020 ₹ in Lakhs	As at 31 March 2019 ₹ in Lakhs
Lease Liabilities	30.28	-
Total	30.28	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

17 NON-CURRENT PROVISIONS

Particulars	As at 31 March 2020 ₹ in Lakhs	As at 31 March 2019 ₹ in Lakhs
Provision for employee benefits	327.48	308.90
Total	327.48	308.90

18 DEFERRED TAX LIABILITIES (Net)

Particulars	As at 31 March 2020 ₹ in Lakhs	As at 31 March 2019 ₹ in Lakhs
The movement on the Deferred Tax Account as follows :		
At the start of the year	**857.03**	805.82
Charge/(Credit) to the Statement of Profit and Loss	**(194.21)**	51.21
At the end of the year	**662.82**	857.03
Component of Deferred Tax Liabilities / (Assets) :		
Depreciation on Property, Plant and Equipment	**663.80**	769.34
Fair Valuation of Mutual Funds	**89.43**	185.35
Impact on adoption of Ind AS 116	**(0.46)**	-
Provision for Gratuity	**(85.19)**	(90.82)
Provision for Leave Encashment	**(4.52)**	(5.01)
Provision for Sales Returns	**(0.24)**	(1.83)
Total	**662.82**	857.03

19 TRADE PAYABLES

Particulars	As at 31 March 2020 ₹ in Lakhs	As at 31 March 2019 ₹ in Lakhs
Micro, Small and Medium Enterprises	**12.24**	15.83
Others	**89.47**	157.06
Total	**101.71**	172.89

There are no overdue amount for which disclosure requirements under Micro, Small and Medium Enterprises Development Act., 2006 are applicable

20 OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at 31 March 2020 ₹ in Lakhs	As at 31 March 2019 ₹ in Lakhs
Due to Directors	**-**	170.00
Deposits from Customers	**3.00**	5.00
Payable on purchase of property, plant and equipment	**-**	33.83
Unpaid dividends *	**154.69**	137.61
Other liabilities	**35.87**	39.68
Total	**193.56**	386.12

* The amounts due and outstanding to be credited to Investor Education and Protection Fund on or before 30 September 2020.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

21 OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2020 ₹ in Lakhs	As at 31 March 2019 ₹ in Lakhs
Advances from Customers	**24.98**	13.04
Statutory Remittances	**113.14**	137.46
Total	**138.12**	150.50

22 CURRENT PROVISIONS

Particulars	As at 31 March 2020 ₹ in Lakhs	As at 31 March 2019 ₹ in Lakhs
For Employee Benefits Plan	**41.70**	34.19
Other Provisions	**0.96**	6.28
Total	**42.66**	40.47

23 CURRENT TAX LIABILITIES (Net)

Particulars	As at 31 March 2020 ₹ in Lakhs	As at 31 March 2019 ₹ in Lakhs
Current Taxation (Net of payments)	**16.35**	66.22
Total	**16.35**	66.22

24 REVENUE FROM OPERATIONS

Particulars	31 March 2020 ₹ in Lakhs	31 March 2019 ₹ in Lakhs
Sale of products		
Manufactured Goods	**7,672.13**	11,641.28
Wind Power sold	**94.47**	185.85
	7,766.60	11,827.13
Other Operating Revenue		
Export Benefits	**9.05**	28.48
Wind Power, captively consumed	**207.94**	265.77
Job work charges	**16.68**	20.09
Sale of scrap	**93.57**	149.21
	327.24	463.55
Total	**8,093.84**	12,290.68

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

25 OTHER INCOME

Particulars	31 March 2020 ₹ in Lakhs	31 March 2019 ₹ in Lakhs
Interest Income		
Non-Current Investments	**140.78**	140.49
Others	**6.63**	30.35
	147.41	170.84
Dividend Income	**172.67**	94.72
Other Non operating Income :		
Exchange gain on Foreign Currency	**2.82**	7.49
Net Gain/(Loss) on sale of Non-current Investments	**(13.36)**	18.33
Net Gain on sale of Current Investments	**17.08**	27.33
Net gain on measuring investments in Mutual Fund at FVTPL	**237.02**	442.23
Others	**7.48**	9.93
	251.04	505.31
Total	**571.12**	770.87

26 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	31 March 2020 ₹ in Lakhs	31 March 2019 ₹ in Lakhs
Inventories at close		
Finished Goods	**92.41**	44.96
Work-in-progress	**419.85**	456.24
	512.26	501.20
Inventories at commencement		
Finished Goods	**44.96**	108.30
Work-in-progress	**456.24**	270.60
	501.20	378.90
Total	**(11.06)**	(122.30)

27 EMPLOYEE BENEFITS EXPENSE

Particulars	31 March 2020 ₹ in Lakhs	31 March 2019 ₹ in Lakhs
Salaries and Wages	**556.16**	746.11
Contributions to Provident and Other Funds	**45.95**	46.85
Gratuity	**39.69**	39.20
Staff Welfare Expense	**13.87**	14.44
Total	**655.67**	846.60

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

28 OTHER EXPENSES

Particulars	31 March 2020 ₹ in Lakhs	31 March 2019 ₹ in Lakhs
Stores, Spares and Packing Materials consumed	**322.06**	449.78
Power and Fuel	**843.52**	1,283.62
Labour Charges	**316.73**	433.63
Factory Expenses	**5.88**	11.33
Repairs and Maintenance - Plant and Machinery	**84.50**	97.98
Repairs and Maintenance - Building	**2.96**	14.03
Repairs and Maintenance - Others	**4.66**	5.49
Insurance	**23.98**	44.82
Wind Mill Operating Expenses	**94.44**	94.43
Inward Freight	**0.77**	1.18
Rent / Compensation	**-**	4.00
Rates & Taxes	**13.68**	8.73
Electricity Charges	**2.03**	2.07
Printing and Stationery	**3.68**	4.10
Communication Expenses	**6.49**	7.09
Travelling Expenses - Directors	**1.16**	4.65
Travelling Expenses - Others	**3.77**	3.33
Security Charges	**23.88**	25.23
Professional Charges	**80.53**	39.03
Directors' Sitting Fees	**8.64**	6.08
Advertising and sales Promotion Expenses	**16.90**	3.51
Outward Freight	**2.63**	5.43
Commission on Sales	**3.46**	6.09
Bank charges and commission	**1.90**	3.65
Donation	**0.75**	9.00
CSR Expenses	**112.45**	1.40
Auditors' Remuneration	**6.29**	6.12
Net Loss/(Gain) on sale of Property Plant and Equipment	**(0.02)**	0.18
Assets Discards / written off	**0.01**	4.64
Other Expenses	**68.55**	36.03
Total	**2,056.28**	2,616.65

28.1 Auditors' Remuneration *

Particulars	31 March 2020 ₹ in Lakhs	31 March 2019 ₹ in Lakhs
As auditors		
(i) Statutory audit fees	**6.00**	6.00
(ii) For other Services	**0.29**	0.12
* Excluding Goods and Service Tax **Total**	**6.29**	6.12

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

29 FINANACIAL CHARGES

Particulars	31 March 2020 ₹ in Lakhs	31 March 2019 ₹ in Lakhs
Interest Expenses - Lease	4.22	-
Total	4.22	-

30 DISCLOSURE PURSUANT TO IND AS 12 ON "INCOME TAXES"

A Components of Tax Expense/(Income)

Particulars	Year ended 31 March 2020 ₹ in Lakhs	Year ended 31 March 2019 ₹ in Lakhs
a) Profit or Loss Section		
i) Current Tax		
Tax Expense for the year	662.00	1,250.00
Adjustment recognised of prior periods	-	(181.75)
ii) Deferred tax	(196.58)	43.96
Income Tax Expense reported in the Statement of Profit or Loss	465.42	1,112.21
b) Other Comprehensive Income Section		
Net loss/(gain) on remeasurements of defined benefit plan	2.37	7.25
Income Tax Expense reported in Other Comprehensive Income	2.37	7.25

B Reconciliation of Income Tax Expense/(Income) and Accounting Profit multiplied by domestic tax rate applicable in India

Particulars	Year ended 31 March 2020 ₹ in Lakhs	Year ended 31 March 2019 ₹ in Lakhs
Profit before tax	2,602.70	4,975.34
Corporate tax rate as per Income Tax Act, 1961	25.170%	29.120%
Tax on Accounting Profit	655.10	1,448.82
Tax effect of :		
Exempted income and Chapter VI A Deduction	(242.33)	(391.51)
Expenses disallowed	138.82	134.25
Tax effect which is chargeable at different rate	108.68	56.31
Others	1.73	2.13
Tax expenses relating to prior year	-	(181.75)
Current Tax Provision (A)	662.00	1,068.25
Deferred Tax Liability recognised	(201.46)	46.85
Deferred Tax Asset recognised	4.88	(2.89)
Deferred tax Provision (B)	(196.58)	43.96
Tax expense recognised during the year (A+B)	465.42	1,112.21
Effective tax rate	17.88%	22.35%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

31 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at 31 March 2020 ₹ in Lakhs	As at 31 March 2019 ₹ in Lakhs
A. Contingent Liabilities		
a) Claims against the Company not acknowledged as debt :		
i) Excise / Service Tax matters under disputes	**177.68**	186.29
ii) Sales Tax demand under disputes	**25.23**	25.23
b) Counter Guarantees given by the Company to the bankers for Bank Guarantees	**100.00**	100.00
c) There are numerous interpretative issues relating to the Supreme Court judgement dated 28 February, 2019 on Provident Fund on the inclusion of allowances for the purpose of Provident Fund contribution as well as its applicability of effective date. The Company will continue to monitor and evaluate its position based on future events and developments.		
B. Commitments		
a) Operating Lease commitments :		
Lease future obligation/rights as at Balance Sheet date for Lease arrangements amount to :		
Within one year	**7.94**	6.47
After one year but not more than five years	**13.36**	12.30
More than five years	**-**	-

32 EMPLOYEE BENEFITS

As required by Ind AS 19 'Employee Benefits' the disclosures are as under:

a) Defined Contribution Plans

Company offers its employees defined contribution plans in the form of Provident Fund (PF) and Employees' Pension Scheme (EPS) with the government, and certain state plans such as Employees' State Insurance (ESI). PF and EPS cover substantially all regular employees and the ESI covers certain employees. Contributions are made to the Government's funds. While both the employees and Company pay predetermined contributions into the Provident Fund and the ESI Scheme, contributions into the Pension fund is made only by Company. The contributions are normally based on a certain proportion of the employee's salary. During the year, Company has recognised the following amounts in the Accounts:

Particulars	31 March 2020 ₹ in Lakhs	31 March 2019 ₹ in Lakhs
Provident Fund and Employee's Pension Scheme	**45.83**	46.63
Employees State Insurance	**0.12**	0.22

b) Defined Benefit Plans

Gratuity : Company makes annual contributions to Employees' Group Gratuity-cum Life Assurance (Cash Accumulation) Scheme of LIC, a funded defined benefit plan for qualifying employees. The scheme provides for payment to vested employees as under :
On normal retirement / early retirement / withdrawal / resignation :
As per the provisions of Payments of Gratuity Act, 1972 with vesting period of 10 years of service.
On the death in service :
As per the provisions of Payments of Gratuity Act, 1972 without any vesting period.
Death Benefit : Company provides for death benefit, a defined benefit plan (death benefit plan) to certain categories of employees. The death benefit plan provides a lump sum payment to vested employees on death being compensation received from the insurance company and restricted to limits set forth in the said plan. The death benefit plan is non-funded.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

c) Disclosures for defined benefit plans based on actuarial reports as on 31 March 2020

Particulars	As at 31 March 2020		As at 31 March 2019	
	Gratuity Funded ₹ in Lakhs	**Gratuity Non Funded ₹ in Lakhs**	Gratuity Funded ₹ in Lakhs	Gratuity Non Funded ₹ in Lakhs
I) Changes in Defined Benefit Obligation :				
Opening defined benefit obligation	**95.26**	**308.90**	88.54	298.03
Current service cost	**5.56**	**10.72**	5.54	10.69
Past service cost	**-**	**-**	-	-
Interest cost	**6.51**	**23.14**	6.06	22.48
Actuarial loss/(gain) arising from changes in financial assumptions	**5.38**	**8.35**	0.27	0.55
Actuarial loss/(gain) arising from changes in demographic assumptions	**-**	**-**	-	-
Actuarial loss/(gain) arising on account of experience changes	**0.25**	**(23.63)**	(2.12)	(22.85)
Benefit (paid)	**(19.50)**	**-**	(3.03)	-
Closing defined benefit obligation	**93.46**	**327.48**	95.26	308.90
(ii) Changes in Value of Plan Assets :				
Opening value of plan assets	**92.28**	**-**	79.76	-
Expenses deducted from fund	**-**	**-**	-	-
Adjustment to the opening fund	**-**	**-**	-	-
Interest Income	**6.48**	**-**	5.58	-
Actual return on plan assets less interest on plan assets	**(0.23)**	**-**	0.75	-
Contributions by Employer	**3.47**	**-**	9.22	-
Benefits Paid	**(19.50)**	**-**	(3.03)	-
Closing value of plan assets	**82.50**	**-**	92.28	-
(iii) Amount recognised in the Balance Sheet :				
Present value of funded obligations as at the year end	**93.46**	**327.48**	95.26	308.90
Fair value of plan assets as at year end	**82.50**	**-**	92.28	-
Net (Asset) /Liability recognised as at the year end	**10.96**	**327.48**	2.98	308.90
(iv) Expenses recognised in the Statement of Profit and Loss :				
Current service cost	**5.56**	**10.72**	5.54	10.69
Past service cost	**-**	**-**	-	-
Interest on net defined benefit liability / (asset)	**0.04**	**23.14**	0.48	22.48
(Gains) / loss on settlement	**-**	**-**	-	-
Total Expenses charged to Profit & Loss	**5.60**	**33.86**	6.02	33.17
Expenses recognised in the Statement of Other Comprehensive Income :				
Net actuarial loss/(gain) recognized in the current year				
Changes in financial assumptions	**5.38**	**8.35**	0.26	0.55
Changes in demographic assumptions	**-**	**-**	**-**	**-**
Experience adjustments	**0.25**	**(23.63)**	(2.12)	(22.85)
Actual return on plan assets less interest on plan assets	**0.23**	**-**	(0.75)	**-**
Total amount recognized in the Statement of Other Comprehensive Income	**5.86**	**(15.28)**	(2.61)	(22.30)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

(v) Asset information Others - Policy of Insurance	**100%**	**-**	100%	-
(vi) Principal actuarial assumptions used				
Mortality Table (LIC Administered Trust)	**Indian Assured Lives Mortality (2006-08) Ult Table**		Indian Assured Lives Mortality (2006-08) Ult Table	
Retirement Age	**58 Years**		58 Years	
Discount rate (p.a)	**6.65%**		7.60%	
Salary growth rate (p.a)	**7.50%**		7.50%	

d) Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	**31 March 2020**				31 March 2019			
	Gratuity Funded		**Gratuity Non Funded**		Gratuity Funded		Gratuity Non Funded	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	**-3.10%**	**3.28%**	**-1.35%**	**1.38%**	-2.74%	2.89%	-1.76%	1.80%
Salary growth rate (0.5% movement)	**3.24%**	**-3.09%**	**1.36%**	**-1.35%**	2.88%	-2.76%	1.80%	-1.77%

Although the analysis does not take into account full distribution of cash flows expected under the plan, it does provide an approximation of sensitivity of assumptions. The estimated of future increase in compensation levels, considered in the actuarial valuation, have been taken on account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The expected contributions for Defined Benefit plan for the next financial year will be in line with FY 2019-20.

e) Leave Encashment:

Company's employees are entitled for compensated absences which are allowed to be accumulated and encashed as per Company's rule. The liability of compensated absences, which is non-funded, has been provided based on report of independent actuary using "Projected Unit Credit Method".

Accordingly ₹17.96 Lakhs (Previous Year ₹17.22 Lakhs) being liability as at the year end for compensated absences as per actuarial valuation has been provided in the accounts.

33 SEGMENT REPORTING

Operating Segment are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Company to make decisions for performance assessment and resource allocation. Accordingly, the Company operates in manufacturing of Steel Tubes / Nuts and generation of Wind Power. However, the operating segment in respect of Nuts and generation of Wind Power do not meet the quantitative thresholds for disclosure under Ind AS 108 "Operating Segments" and hence aggregated.

34 EVENTS AFTER THE REPORTING PERIOD

The Board of Directors have recommended dividend of ₹9.00 (180%) (Previous Year ₹9.00 (180%)) for equity share for the financial year ended 31 March 2020. The dividend is subject to the approval by the shareholders in the ensuing Annual General Meeting of the Company and therefore, has not been recognized as a liability as at the Balance Sheet date in line with Ind AS 10 on "Events after reporting period"

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

35 EARNING PER SHARE

Particulars	31 March 2020	31 March 2019
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in Lakhs)	**2,137.28**	3,863.13
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	**1,34,15,337**	1,38,18,616
Add: Weighted Average Potential Equity Shares	**-**	-
Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	**1,34,15,337**	1,38,18,616
Face Value per Equity Share (₹)	**5.00**	5.00
Basic & Diluted Earnings per Share (₹)	**15.93**	27.96

36 DISCLOSURES OF TRANSACTIONS WITH RELATED PARTIES REQUIRED UNDER IND AS 24 ON "RELATED PARTY DISCLOSURES"

Key Managerial Personnel (KMP)

Chairman and Managing Director	-	Mr. Manhar G. Gandhi
Joint Managing Director	-	Mr. Bhupatrai G. Gandhi
Independent Director	-	Mr. Dhirajlal S. Shah (Expired on 10/01/2020)
Independent Director	-	Mr. Kavas N. Warden
Independent Director	-	Mr. Jayesh M. Gandhi
Independent Director	-	Mr. Dharmen B. Shah
Independent Director	-	Mrs. Bhavi Jatin Koradia

Relative of KMP

Director	-	Mr. Jayesh M. Gandhi

Entities over which KMP / Relative of KMP have control

Randeep Automobiles

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Transactions (In Aggregate) with Related Parties

Particulars	31 March 2020 ₹ in Lakhs	31 March 2019 ₹ in Lakhs
Sales :		
Randeep Automobiles	**258.94**	302.45
Job Work Charges received		
Randeep Automobiles	**19.69**	23.71
Short-term employee benefits (Remuneration) *		
Manhar G. Gandhi	**120.00**	205.00
Bhupatrai G. Gandhi	**120.00**	205.00
* Excluding Provision for Gratuity and Contribution to Provident Fund.		
Sitting Fees :		
Dhirajlal S. Shah	**1.23**	1.19
Kavas N. Warden	**1.25**	0.90
Jayesh M. Gandhi	**1.85**	0.88
Dharmen B. Shah	**1.50**	1.09
Bhavi Jatin Koradia	**1.50**	1.09
Outstanding Balances with Related Parties:		
Remuneration Payable :		
(i) Manhar G. Gandhi	**-**	85.00
(ii) Bhupatrai G. Gandhi	**-**	85.00

Notes :

Related parties relationship is as identified by the Company on the basis of information available with them and accepted by the Auditors.
The Sales to / Job work charges received from related parties are at arms length price. The outstanding balances represents remuneration payable as on date.

37 CONTRIBUTION TOWARDS CORPORATE SOCIAL RESPONSIBILITY (CSR)

The particulars of CSR expenditure are as follows :

a) Gross amount required to be spent by the Company as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is ₹ 165.33 Lakhs (Previous year ₹ 71.89 Lakhs)

b) Amount spend during the year and debited to Statement of Profit and Loss ₹ 112.45 Lakhs (Previous year ₹ 1.40 Lakhs)
The amount of ₹ 111.00 Lakhs is spent through Jain Youth Foundation for Dialysis Centre and ₹ 1.45 Lakhs is spent through HDFC Charity Fund for Cancer Cure. (Previous Year ₹ 1.40 Lakhs was spent through HDFC Charity Fund for Cancer Cure.)

38 CAPITAL MANAGEMENT

For the purpose of the Company's Capital Management, Capital includes issued Equity Capital and all Other Reserves(including Capital Redemption Reserve created on buy back of Equity Shares) attributable to the Equity shareholders of the Company. The Primary objective of the Company's Capital Management is to maximise the shareholders' value. The Company's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximise shareholder's value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

39 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

A Fair value measurements

i) Fair value of financial assets and liabilities that are measured at fair value on a recurring basis

Fair value of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

Valuation

The Fair values of investments in units of mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at the Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

The Fair values of investments in Bonds which are quoted, are based on the quoted price of those bonds on the measurement date.

Fair Value measurement hierarchy
The fair value of financial instruments as referred below have been classified into three categories depending on the method used in the valuation technique.
The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data.

The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and input used)

Particulars	Fair Value		Fair Value Hierarchy	Valuation technique(s) and key input(s)
	As at 31 March 2020 ₹ in Lakhs	As at 31 March 2019 ₹ in Lakhs		
Investments in			Level 1	Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.
- Long Term Mutual Funds	**251.70**	2,153.59		
- Short Term Mutual Funds	**-**	217.93		
- Fixed Maturity Plans	**3,665.10**	4,971.41		
- Liquid Mutual Funds	**1,243.25**	2,948.41		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

ii) Financial Instruments measured at amortised cost:

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair value since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

B Financial Risk Management and Policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The risk management policy is approved by the Company's Board. The Company's principal financial liabilities comprise of trade and other payables. These financial liabilities form part of the Company's working capital. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations and investments. The Company is exposed to market risk, credit risk, liquidity risk, etc. The objective of the Company's financing policy are to secure solvency, limit financial risks and optimise the cost of capital, if any. The Company's capital structure is managed using only equity as part of the Company's financial planning.

Company has exposure to following risk arising from financial instruments:
Credit risk
Liquidity risk
Market risk

a) Credit Risk
Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investments in units of mutual funds, other balances with banks, deposits and other receivables.

i) Trade Receivable
Customer credit risk managed by Company's established policy, procedure and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

ii) Financial instruments
The Company limits its exposure to credit risk by investing mainly in units of debt funds issued by mutual funds and that too have higher credit rating. The Company monitors changes in credit risk by tracking published external credit ranking.

b) Liquidity risk
Liquidity risk is the risk that Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. Company closely monitors its liquidity position and deploys a robust cash management system. Working capital requirements are adequately addressed by internally generated funds. Trade receivables are kept within manageable levels. The Company has no outstanding bank borrowings. The Company believes that the working capital is sufficient to meet its current requirements.

The Company aims to maintain the level of its cash and cash equivalents and other highly marketable debt investments at an amount in excess of expected cash outflows on financial liabilities. The ratio of cash and cash equivalents and other investments to outflow is 10.47 times as at 31 March 2020 and 8.86 times as at 31 March, 2019.

The maturity of all financial liabilities of the Company is less than one year or on demand.

c) Market Risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments. The Company does not have any loan or borrowing. The Company has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

C Foreign Currency Risk:

The Company is subject to the risk that changes in foreign currency values impact the exports and other payables. The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Us Dollar. However as on 31 March 2020 as also 31 March 2019 there are no outstanding dues receivable/payable in foreign currency. In this circumstances, question of foreign currency sensitivity also does not arise.

40 World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic. Consequent to this, Government of India declared lockdown on 23 March, 2020 and the Company temporarily suspended its operations. COVID-19 has impacted the normal business operations of the Company by way of interruption in production, supply chain and production facilities etc. during the lock down period which is extended till 31 May, 2020. This has resulted loss in revenue to a certain extent. The Company has partially resumed its manufacturing operation from 06/05/2020 with limited staff and workers

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, 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 this assets will be recoverable.

41 PREVIOUS YEAR FIGURES

Previous year figures have been regrouped, rearranged and reclassified, wherever necessary to correspond with the current year's classification/disclosure.

As per our attached report of even date — For and on behalf of the Board of Directors

For Shashikant J. Shah & CO. Chartered Accountants Firm Reg. No. 109996W	**M. G. GANDHI** (Chairman & Managing Director) (DIN 00041190)	**B. G. GANDHI** (Joint Managing Director) (DIN 00041273)	
Shashikant J. Shah Partner	**K. N. WARDEN** (Director) (DIN 00045840)	**J. M. GANDHI** (Director) (DIN 00041330)	**D. B. SHAH** (Director) (DIN 01834884)
Membership No. 015905	**BHAVI KORADIA** (Director) (DIN 07004836)	**SHOBHANA RAJAN VARTAK** (CFO)	**JITENDRA DATTARAM KHADYE** (Company Secretary)

Mumbai, 29 June 2020

Halol Manufacturing Facility, Gujarat



Bright Annealing Furnace



Solar Panel Installation

Gandhi
Special Tubes Ltd.





GANDHI SPECIAL TUBES LTD.
CIN : L27104MH1985PLC036004

Registered office
201-204, Plaza, 2nd floor, 55 Hughes Road,
Next to Dharam Palace, Mumbai-400 007 Tel.: +91 22 23634179
Fax: +91 22 23634392 Website: www.gandhitubes.com