



# 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



**Sub: Declaration with respect to Audit report with unmodified opinion to the Audited Financial Results for the financial year ended 31<sup>st</sup> March 2017**

We hereby declare that Audited Financial Results for the financial year ended 31<sup>st</sup> March 2017 which have been approved by the Board of Directors of the Company at the meeting held today, i.e. 16<sup>th</sup> May, 2017, the Statutory Auditors have not expressed any modified opinion(s) in their Audit Report.

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

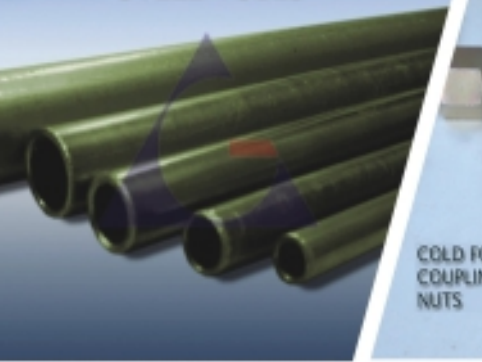
Yours faithfully,

For **GANDHI SPECIAL TUBES LIMITED**

**Manhar G. Gandhi**  
Chairman & Managing Director  
DIN: 00041190

# 32<sup>nd</sup> Annual Report 2016-17

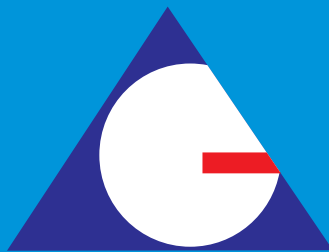
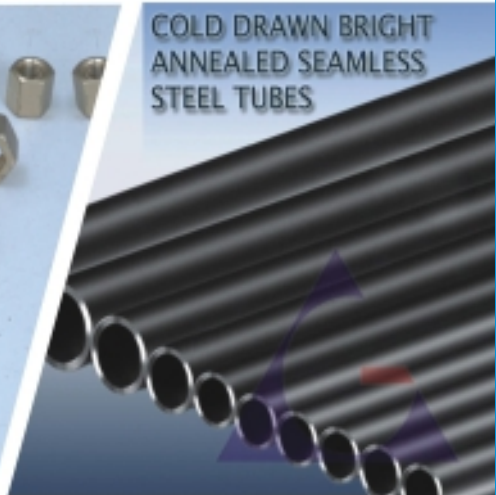
PRECISION ELECTRIC  
RESISTANCE WELDED  
STEEL TUBES



COLD FORMED  
COUPLING  
NUTS



COLD DRAWN BRIGHT  
ANNEALED SEAMLESS  
STEEL TUBES



## GANDHI SPECIAL TUBES LIMITED



ISO 9001:2008 & ISO/TS 16949:2009

Certified Company

# ACTIVITIES UNDER CSR

**FRONT VIEW OF “GANDHI SPECIAL DEAF AND MUTE SCHOOL”**



**INSIDE VIEW OF “GANDHI SPECIAL DEAF AND MUTE SCHOOL”**



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

**10-YEARS FINANCIAL HIGHLIGHTS**

Particulars	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Net Sales	7,623.13	5,606.96	7,549.17	9,017.40	10,652.93	9,593.96	8,352.55	9,189.77	9,117.37	9,757.23
Total Income	7,998.65	6,287.71	8,750.36	9,425.27	11,065.90	9,862.19	9,144.02	9,632.55	9,417.47	10,623.61
EBIDTA (Earning Before Dep, Interest & Tax)	3,148.09	2,854.89	4,147.43	4,214.87	4,620.26	3,509.83	3,407.02	2,774.79	2,991.27	4,161.32
Depreciation	463.32	535.85	508.26	471.27	452.69	433.68	493.66	495.03	470.58	445.64
Profit After Taxation	1,884.42	1,592.75	2,533.31	2,629.15	2,981.74	2,206.28	1,730.84	1,579.63	1,855.00	2,974.10
Equity Dividend (%)	50.00	50.00	100.00	100.00	120.00	120.00	120.00	150.00	150.00	180.00
Dividend Payout	367.46	367.46	734.92	734.93	881.92	881.92	881.92	1,102.40	1,102.40	1,322.88
Equity Share Capital	734.93	734.93	734.93	734.93	734.93	734.93	734.93	734.93	734.93	734.93
Reserves & Surplus	6,580.20	7,743.03	9,416.50	11,188.66	13,145.42	14,326.72	15,025.76	15,273.62	15,801.80	17,183.72
Net Worth	7,315.13	8,477.96	10,151.43	11,923.59	13,880.35	15,061.65	15,760.69	16,008.55	16,536.73	17,918.65
Gross Fixed Assets	8,466.77	8,702.26	8,692.18	8,741.90	8,915.72	10,957.77	12,670.83	12,897.51	13,014.98	12,998.16
Net Fixed Assets	4,958.92	4,688.87	4,210.81	3,789.25	3,553.49	5,195.71	6,415.11	6,274.00	5,901.42	5,520.49

**Key Indicators**

Particulars	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Earning per share	12.82	10.84	17.24	17.89	20.29	15.01	11.78	10.75	12.62	20.23
Turnover per share(₹)	51.86	38.15	51.36	61.35	72.48	65.27	56.83	62.52	62.03	66.38
Book Value per share	49.77	57.68	69.06	81.12	94.43	102.47	107.23	108.91	112.51	121.91
Debt/Equity Ratio	0.08	0.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Profit Margin %	24.72	28.41	33.56	29.16	27.99	23.00	20.72	17.19	20.35	30.48
EBDIT/ Net Sales %	41.30	50.92	54.94	46.74	43.37	36.58	40.79	30.19	32.81	42.65



**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
- 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 Shares Transfer Agent of the Company.
- **ECS:-** To avoid loss of dividend warrants in transit and undue delay in respect of receipt of dividend warrants, the Company has provided a facility to the Members for remittance of dividend through the Electronic Clearing System (ECS). 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 Registrars and Transfer Agents.
- **GREEN INITIATIVE:-** Please register your email ID with the Registrars and Transfer Agents of the Company or with the Secretarial department of the Company at [complianceofficer@gandhitubes.com](mailto:complianceofficer@gandhitubes.com) . Your initiative will save forest wealth of our Country.

**NOTICE OF THIRTY SECOND ANNUAL GENERAL MEETING**

NOTICE is hereby given that Thirty Second Annual General Meeting of the Members of **GANDHI SPECIAL TUBES LIMITED** will be held on Wednesday, the 12th day of July, 2017 at 11.00 a.m. at Kanji Khetsey Sabhagriha, Bharatiya Vidya Bhavan, K. M. Munshi Marg, Mumbai - 400 007, to transact the following Ordinary business:

1. To receive, consider and adopt the Audited Financial Statements and the reports of the Board of Directors and Auditors thereon for the Financial Year ended 31st March, 2017.
2. To confirm the payment of Interim Dividend paid on Equity Shares as Final Dividend.
3. To appoint a Director in place of Mr. Jayesh Gandhi (DIN 00041330), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration and in this regard, to consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s Shashikant J. Shah & Co., Chartered Accountants, Mumbai having Firm Registration No: 109996W and holding valid Peer Review Certificate issued by the Institute of Chartered Accountants of India, be and is hereby appointed as the Statutory Auditors of the Company in place of M/s S.V. Doshi & Co., Chartered Accountants, Mumbai, from the conclusion of 32nd Annual General Meeting upto the conclusion of 37th Annual General Meeting of the Company subject to the ratification of their appointment by members at every annual general meeting and at such remuneration plus service tax, out of pocket expenses as may be mutually agreed between the Board and the Statutory Auditors.”

**By Order of the Board of Directors**

**JEEGEESHA G. SHROFF**  
**COMPANY SECRETARY**

**Place: Mumbai**  
**Date: 16th May, 2017**

**Regd. Office:**  
201-204 Plaza, 2nd Floor,  
55 Hughes Road,  
Next to Dharam Palace,  
Mumbai - 400007  
Tel: 91-22 – 23634179  
Fax: 91-22-2363 4392  
CIN: L27104MH1985PLC036004  
Email: [complianceofficer@gandhitubes.com](mailto:complianceofficer@gandhitubes.com)  
Website: [www.gandhitubes.com](http://www.gandhitubes.com)

**NOTES:**

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.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

**Pursuant to the provisions of section 105 of the Companies Act, 2013, a person can act as proxy on behalf of a member or number of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total paid up share capital of the Company. Member holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member.**

**The instrument appointing Proxy as per the format included in the Annual Report should be lodged with the Company at its Registered Office not less than 48 hours before the commencement of the meeting i.e by 11.00 a.m. on Monday, 10th of July, 2017**

3. The Register of Members and the Share Transfer books of the Company will remain closed from **Tuesday, 11th July, 2017 to Wednesday, 12th July, 2017** (both days inclusive).
4. 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.
5. SEBI, vide its circular No. CIR/MRD/DP/10/2013, dated 31st March, 2013 has made it 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.
6. 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 ₹ 11,33,395/- (Eleven Lakh Thirty Three Thousand Three Hundred Ninety Five Only) of the Company for the financial year ended 31st March, 2010 has been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government on 17th March, 2017 pursuant to Section 125 of the Companies Act, 2013.
7. The Ministry of Corporate Affairs (MCA) on 10th May, 2012 notified the IEPF (uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules). The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and thus overcome their problem. The company has uploaded the information in respect of the Unclaimed Dividends in respect of the Financial years 2010-2011 up



to 2015-16 on the website of the IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and under "Investor Section" on the website of the Company viz. [www.gandhitubes.com](http://www.gandhitubes.com).

8. Members who have not encashed their dividends warrants for Financial Year 2010-11 or any subsequent years are requested to write to the Company immediately 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.gandhitubes.com](http://www.gandhitubes.com)).**

Members are requested to note that the Dividend for the ended 31st March, 2011 declared on 27th January, 2011 is due to be transferred to IEPF in March 2018 pursuant to Section 125 of the Companies Act, 2013 and the rules made thereunder.

9. Compulsory transfer of Equity Shares to Investor Education and Protection Fund (IEPF) Suspense 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") all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to an IEPF Suspense Account after complying with the procedure laid down under the "Rules".

10. Pursuant to Section 72 of the Companies Act, 2013, Members holding shares in physical form may file nomination in the prescribed Form SH-13 (Annexed to the Report) with the Company's Registrar and Transfer Agent. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
11. Members who still hold share certificates in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization, which include easy liquidity, since trading is permitted in dematerialized form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
12. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative along with their specimen signature to attend and vote on their behalf at the Meeting.
13. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
14. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sundays, between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting.
15. 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.
16. Members/Proxies and authorized signatories should bring the attendance slip duly filled in for attending the meeting. The identity/signature of the Members holding shares in electronic/demat form is liable for verification with specimen signatures as may be furnished by NSDL/CDSL to the Company. Such Members are advised to bring the relevant identity card, issued by the Depository Participant, to attend the Annual General Meeting.
17. The Annual Report duly circulated to the Members of the Company, is available on the Company's Website at [www.gandhitubes.com](http://www.gandhitubes.com) and on the website of Karvy Computershare Pvt. Ltd. at <https://evoting.karvy.com>.
18. Shareholders can register their complaints, if any, on an exclusive e-mail id [complianceofficer@gandhitubes.com](mailto:complianceofficer@gandhitubes.com) which has been designated for the said purpose.
19. Pursuant to Section 101 of the Companies Act, 2013 read with relevant Rules made there under, 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.

20. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
- 21. Members are requested to bring their copies of the Annual Report at the Meeting.**
22. A route map showing directions to reach the venue of the 32nd Annual General Meeting is given at the end of the notice as per the requirement of Secretarial Standard 2 on "General Meeting".
23. 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 and the Company has paid the Annual Listing Fees to the said Stock Exchanges for the year 2017-18.
24. 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. Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, Telangana State, India**
- 25. 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 Karvy Computershare 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.karvy.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	<b><u>For Members holding shares in Demat Form:</u></b> a) For NSDL: 8 Character DP ID followed by 8 Digits Client ID. b) For CDSL: 16 digits beneficiary ID. <b><u>For Members holding shares in Physical Form:</u></b> 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.