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: 07.09.2017

To,
The Manager,
National Stock Exchange of India Limited

Sub: Reply to clarification sought

Kind Attn: **Mr. Kautak Upadhyay**

Dear Sir,

With reference to your mail dated 4th September, 2017 for clarification sought regarding the non- submission of the Segment details along with financial results submitted for the quarter ended 30th June, 2017 pertaining to Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we would like to clarify the financial results of the Company have been prepared in accordance with the Indian Accounting Standards (Ind-AS) which has been adopted by the Company from 1st April, 2017 and accordingly, these financial results have been prepared in accordance with the recognition and measurement principles in Ind AS 34- Interim Financial Reporting, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.

Accordingly, the Company has only one reportable segment as per Ind-AS 108 since the main activity of the Company is manufacture of Steel and Cold Welded Tubes and other activity includes Wind Mills which is less than 10% of by the way of revenue, profit and assets.

We also request you to kindly refer Note No. 4 of the results attached herewith.

We would be pleased to provide or furnish further clarification or information as may be needed by you.

Thanking you,

Yours Faithfully,
For **GANDHI SPECIAL TUBES LIMITED**

Jeegeesha Shroff

GANDHI SPECIAL TUBES LTD.

Jeegeesha Shroff
Company Secretary & Compliance Officer

Gandhi Special Tubes Ltd.

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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2017.

(₹ In Lakhs except EPS)

Sr. No.	PARTICULARS	Quarter Ended June 30, 2017 (UNAUDITED)	Quarter Ended June 30, 2016 (UNAUDITED)
I	**Revenue from Operations**	3,137.46	2,929.78
II	Other Income	249.23	236.19
III	**Total Revenue (I+ II)**	**3,386.69**	3,165.97
IV	**Expenses**		
	a) Cost of materials consumed	913.41	895.15
	b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	32.75	(71.00)
	c) Excise Duty Expenses	333.56	305.66
	d) Employee benefits expenses	201.47	188.50
	e) Depreciation and amortisation expenses	96.59	111.72
	f) Other Expenses	605.11	679.15
	g) Total expenses	**2,182.89**	2,109.18
V	**Profit before exceptional items and tax (III - IV)**	**1,203.80**	1,056.79
VI	Exceptional Items	-	-
VII	**Profit before tax (V -VI)**	**1,203.80**	1,056.79
VIII	**Tax Expense**		
	i) Current Tax	329.00	284.00
	ii) Deferred Tax	(9.95)	(100.07)
		319.05	183.93
IX	**Profit for the period (VII -VIII)**	**884.75**	872.86
X	Other Comprehensive Income (OCI)		
	A Items that will not be reclassified to Profit or Loss		
	Remeasurement [gain/(loss)] of Defined employee benefit liability	0.02	0.38
	Income Tax on above	*	(0.13)
	* ₹ 692.20		
	B Items that will be reclassified subsequently to Profit or Loss	-	-
	Income Tax on above	-	-
	Other Comprehensive Income (OCI)	**0.02**	0.25
XI	**Total Comprehensive Income for the Period (IX + X)**	**884.77**	873.11
XII	**Paid-up equity share capital** (Face value of ₹ 5/- each)	**734.93**	734.93
XIII	**Earnings Per Equity Share of ₹ 5/- each)**		
	(a) Basic	**6.02**	5.94
	(b) Diluted	**6.02**	5.94

Notes :

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on September 4, 2017.
2. The Company has adopted Indian Accounting Standards (Ind AS) with effect from April 1, 2017 and accordingly, the above results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013. As per SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 the Company has presented Ind AS compliant financial results for the corresponding quarter ended June 30, 2016.
3. The Auditors of the Company have carried out Limited Review of unaudited financial results for the quarter ended June 30, 2017 as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the related report is being submitted to the concerned stock exchange. The Results for June 30, 2016 have not been subject to limited review or Audit as per Ind AS. However, the Management has exercised necessary due diligence to ensure that the said Financial results provide a true and fair view of the Company's affairs.
4. The Company has only one reportable segment in terms of Ind AS 108.

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5 Reconciliation of the Net profit between previous GAAP to Ind AS for the Quarter ended June 30, 2016 .

(₹ In Lakhs)

Particulars	Unaudited (Refer note 2)
Net profit for the period (as per AS)	1,046.35
Add/(Less) : Adjustments in statement of profit and loss	
Acturial Gain/ losses of retirement benefits transferred to OCI	(0.38)
Provision for expected sales return	(5.46)
Net gain/Loss on Investments	(439.10)
Profit/(Loss) on fair Value of Non-current Investments	167.36
Taxes on account of above item	104.09
Net Profit under Ind AS	**872.86**
Other Comprehensive Income (Net of taxes)	0.25
Total Comprehensive Income	**873.11**

For Gandhi Special Tubes Limited

Manhar Gandhi
Chairman & Managing Director

Place : MUMBAI
Dated : 4 September, 2017