



# 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 .



December 28<sup>th</sup>, 2017

The Secretary BSE LIMITED 1st floor, Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001.  Scrip code : 513108	The Manager THE NATIONAL STOCK EXCHANGE OF INDIA LTD Exchange Plaza, Plot No C/1, G Block Bandra-Kurla Complex, Bandra (East) Mumbai - 400051.  Company code :GANDHITUBE
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Dear Sir / Madam,

Pursuant to regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are forwarding herewith the Notice of Postal Ballot & Ballot Form along with the Explanatory Statement pursuant to Section 110 of the Companies Act, 2013, sent to the Shareholders of our Company

Kindly take the above document on your record and acknowledge.

Thanking You,

Yours Faithfully,

For **GANDHI SPECIAL TUBES LIMITED**

**Jeegeesha Shroff**  
Company Secretary & Compliance Officer





**GANDHI SPECIAL TUBES LIMITED**

**Registered Office:** 201-204, 2nd Floor, Plaza, 55, Hughes Road,  
Next to Dharam Palace, Mumbai- 400 007, Maharashtra, India

**Tel:** +91-22- 2363 4179, **Fax No:** +91-22- 2363 4392

**Email:** [complianceofficer@gandhitubes.com](mailto:complianceofficer@gandhitubes.com) **Website:** [www.gandhitubes.com](http://www.gandhitubes.com)

**CIN:** L27104MH1985PLC036004



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

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## POSTAL BALLOT NOTICE

**Notice pursuant to Section 110 of the Companies Act, 2013 read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended.**

Dear Members,

NOTICE is hereby given pursuant to Section 110 of the Companies Act, 2013 ("**the Act**"), read with Rule 22 of the Companies (Management and Administration) Rules, 2014 ("**Rules**"), as amended from time to time and any other applicable provisions of the Act and the said Rules, for seeking approval of the Members of Gandhi Special Tubes Limited ("**the Company**") to the proposed special resolutions appended below by way of postal ballot including voting by electronic means ("**e-voting**").

An explanatory statement pursuant to Section 102 and other applicable provisions of the Act, pertaining to the resolutions setting out the material facts and the reasons therefore, is appended along with a postal ballot form ("**Postal Ballot Form**"). Pursuant to Rule 22(5) of the Rules, the Board of Directors of your Company at its meeting held on Monday, 18th December, 2017 has appointed Shri Bhumitra V. Dholakia, (Membership No. FCS 977) or in his absence, Shri Nrupang B. Dholakia, (Membership No. ACS 34722), Designated Partner of M/s. Dholakia & Associates LLP, Company Secretaries in Practice, as the Scrutinizer to conduct the Postal Ballot and e-voting process in a fair and transparent manner.

The Members are requested to carefully read the instructions indicated in the Notice and record their assent (for) or dissent (against) the proposed special resolutions in the Postal Ballot Form and return the same, in original duly completed and signed, in the enclosed self-addressed, postage prepaid business reply envelope, so as to reach the Scrutinizer, Shri Bhumitra V. Dholakia, or in his absence, Shri Nrupang B. Dholakia, Designated Partner of M/s. Dholakia & Associates, LLP, Company Secretaries in Practice, on or before 5.00 p.m. IST on Saturday, 27th January, 2018. Postal Ballot Forms received after that date will be strictly treated as if a reply from such Member has not been received. The postage expense will be borne and paid for by the Company.

In compliance with the provisions of Sections 108 and 110 of the Act, read with Rules 20 and 22 of the Rules and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR**"), the Company is offering facility of e-voting to all Members to enable them to cast their votes electronically instead of dispatching Postal Ballot Forms. Members are requested to follow the procedure as stated in the notes and instructions for casting of votes by e-voting.

Upon completion of the scrutiny of the Postal Ballot Forms and votes cast through e-voting in a fair and transparent manner, the Scrutinizer will submit his report to the Chairman/Director of the Company. The results of the Postal Ballot will be announced within 48 hours of conclusion of the voting through Postal Ballot. The said results would be displayed at the Registered Office of the Company, intimated to BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") where the shares of the Company are listed. Additionally, the results will also be uploaded on the Company's website [www.gandhitubes.com](http://www.gandhitubes.com) and on the website of Karvy Computershare Private Limited, [karisma.karvy.com](http://karisma.karvy.com).

In the event the resolution is approved by requisite majority of Members, the date of passing the resolution shall be deemed to be Saturday, 27th January, 2018 viz. last date specified by the Company for receipt of duly completed Postal Ballot Forms or e-voting.

## GANDHI SPECIAL TUBES LIMITED

(CIN : L27104MH1985PLC036004)

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### RESOLUTIONS:

#### Item No: 1

#### APPROVAL FOR BUYBACK OF EQUITY SHARES THROUGH TENDER OFFER ROUTE

To consider and, if thought fit, to pass, the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to Article 24A and 24B of the Articles of Association of the Company and the provisions of Sections 68, 69, 70 and 110 and all other applicable provisions, if any, of the Companies Act, 2013 (**“the Act”**), the Companies (Share Capital and Debentures) Rules, 2014 to the extent applicable, the Companies (Management and Administration) Rules, 2014, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in compliance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 (**“Buyback Regulations”**), as amended from time to time, and subject to such other approvals, permissions, sanctions and exemptions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions, sanctions and exemptions, which may be agreed by the Board of Directors of the Company (**“Board”**), which expression shall include any Committee constituted/ to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution), consent of the Members be and is hereby accorded for the buyback by the Company of its fully paid-up equity shares of face value of Rs. 5/- (Rupees Five) each (**“Equity Shares”**) up to 8,80,000 (Eight Lakhs Eighty Thousand) Equity Shares (representing 5.99% of the total issued and paid-up equity share capital of the Company) at a price of Rs.500/- (Rupees Five Hundred only) per Equity Share, payable in cash for an aggregate consideration not exceeding Rs. 44,00,00,000/- (Rupees Forty Four Crores only) (hereinafter referred to as the **“Buyback Size”** or **“Offer Size”**) excluding transaction costs viz. filing fees, advisors’ fees, brokerage, applicable taxes such as securities transaction tax, GST, stamp duty, public announcement expenses, printing and dispatch expenses and other incidental and related expenses, etc., being within the limit of 25% of the aggregate of the paid-up share capital and free reserves as per the audited accounts of the Company as on March 31, 2017, out of the free reserves of the Company (including securities premium account) and / or such other source as may be permitted by the Buyback Regulations or the Act, from the Members of the Company, as on the record date, on a proportionate basis, through the “Tender Offer” route as prescribed under the Buyback Regulations (**“Buyback”**).

**RESOLVED FURTHER THAT** the Company, to the extent legally permissible, implement the Buyback using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, including any amendments thereof.

**RESOLVED FURTHER THAT** the Company may buyback Equity Shares from all the existing Members holding Equity Shares of the Company on a proportionate basis, provided 15% (fifteen percent) of the number of Equity Shares which the Company proposes to Buyback or number of Equity Shares entitled as per the shareholding of small shareholders as on the record date, whichever is higher, shall be reserved for the small shareholders, as prescribed under Regulation 6 of the Buyback Regulations.

**RESOLVED FURTHER THAT** the Buyback of Equity Shares from non-resident Members of the Company, including Overseas Corporate Bodies (OCBs), Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs), Members of foreign nationality, etc., shall be subject to Foreign Exchange Management Act, 1999 and rules and regulations framed there under, if any, Income Tax Act, 1961 and rules and regulations framed there under, as applicable, and shall also be subject to such approvals if, and to the extent necessary or required from the concerned authorities including approvals from the Reserve Bank of India or authorized dealers under the Foreign Exchange Management Act, 1999 and the rules, regulations framed there under, if any.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the power(s) conferred herein above as it may in its absolute discretion deem fit, to any Committee of Director(s) (**“Buyback Committee”**) of the Company in order to give effect to the aforesaid resolution, including but not limited to finalizing the terms of the Buyback like record date, entitlement ratio, the time frame for completion of Buyback; appointment of merchant banker, brokers, lawyers, depository participants, escrow agents, bankers, advisors, registrars, scrutinizers, consultants, representatives, intermediaries, agencies, printers, advertising agency, compliance officer, as may be required, for the implementation of the Buyback; preparation, finalizing, signing and filing of the Public Announcement, the Draft Letter of Offer / Letter of Offer with the Securities and Exchange Board of India, the stock exchanges where the Equity Shares are listed and other appropriate authorities and to make all necessary applications to the appropriate authorities for their approvals including but not limited to approvals as may be required from the Securities and Exchange Board of India, Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder; and to initiate all necessary actions for preparation and issue of various documents including letter of offer,

opening, operation and closure of necessary accounts including escrow account with the bank, entering into agreements, release of public announcement, filing of declaration of solvency, obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law, extinguishment of dematerialized shares and physical destruction of share certificates in respect of the Equity Shares bought back by the Company, and such other undertakings, agreements, papers, documents and correspondence, under the Common Seal of the Company, as may be required to be filed in connection with the Buyback with the Securities and Exchange Board of India, Reserve Bank of India, Stock Exchanges, Registrar of Companies, Depositories and / or other regulators and statutory authorities as may be required from time to time.

**RESOLVED FURTHER THAT** nothing contained herein shall confer any right on the part of any Members to offer and/or any obligation on the part of the Company or the Board or the Buyback Committee to Buyback any shares, and / or impair any power of the Company or the Board or the Buyback Committee to terminate any process in relation to such Buyback, if so permissible by law.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board or the Buyback Committee be and is hereby empowered and authorised on behalf of the Company to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buyback, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as the Board and /or Buy Back Committee may, in its absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

**Item no. 2-**

**RE-APPOINTMENT OF SHRI M.G. GANDHI AS MANAGING DIRECTOR AND PAYMENT OF REMUNERATION WITH EFFECT FROM 01.01.2018**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:-

**“RESOLVED THAT** pursuant to the provisions of Sections 197, 198 and 203, read with Schedule V and other applicable provisions of the Companies Act, 2013, the approval be and is hereby accorded for the appointment of Shri M. G. Gandhi as Managing Director of the Company for a further period of Five years with effect from 1st January, 2018 on the terms and conditions including remuneration as set out in the draft agreement and signed by the Chairman of the remuneration committee for the purpose of identification which agreement is hereby specifically sanctioned with a liberty to the Directors to alter and vary the terms and conditions of the said appointment and / or agreement, so as not to exceed the limits of remuneration, if any, specified in Schedule V to the Companies Act, 2013 or any amendments thereto as may be agreed to between the Board of Directors and Shri M.G. Gandhi.

**OVERALL REMUNERATION:**

Subject to the provisions of Sections 197, 198, read with Schedule V and other provisions applicable of the Companies Act, 2013, if any, the remuneration payable to Shri M.G.Gandhi, Managing Director, in any financial year shall not exceed 5% (five percent) of the net profits of the Company.

**MINIMUM REMUNERATION**

Will be according to the applicable provisions of Schedule V of the Companies Act, 2013.

Within the aforesaid ceiling, the remuneration payable (except the Commission) to Shri M. G. Gandhi, Managing Director, shall be as follows:

**SALARY, PERQUISITES AND ALLOWANCES**

Not Exceeding Rs.10,00,000/- p.m. inclusive of all perquisites and allowances except those specifically excluded as per Schedule V of the Act.

## **GANDHI SPECIAL TUBES LIMITED**

(CIN : L27104MH1985PLC036004)

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### **COMMISSION:**

As decided by the Board of Directors at the time of adoption of accounts, but not exceeding the ceiling in respect of overall remuneration as prescribed under Section 197 and 198 of the Companies Act, 2013.

#### **Other Term and Conditions**

- a) Leave: 30 working days leave (travelling time included) once in every year of service, with encashment of un-availed leave at the end of tenure.
- b) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961; gratuity payable at a rate not exceeding half a month salary for each completed year of service and encashment of un-availed leave at the end of tenure shall not be included in the computation of the ceiling on remuneration in terms of Schedule V of the Companies Act, 2013.
- c) Shri M. G. Gandhi will not be entitled to sitting fees for meetings of the Board/ Committee of the Board attended by him.
- d) Shri M. G. Gandhi shall not be liable to retire by rotation.

### **Item no. 3-**

#### **RE-APPOINTMENT OF SHRI B.G. GANDHI AS JOINT MANAGING DIRECTOR AND PAYMENT OF REMUNERATION WITH EFFECT FROM 01.01.2018.**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:-

“**RESOLVED THAT** pursuant to the provisions of Sections 197, 198 and 203, read with Schedule V and other applicable provisions of the Companies Act, 2013, the approval be and is hereby accorded for the appointment of Shri B. G. Gandhi as Joint Managing Director of the Company for a further period of Five years with effect from 1st January, 2018 on the terms and conditions including remuneration as set out in the draft agreement and signed by the Chairman of the remuneration committee for the purpose of identification which agreement is hereby specifically sanctioned with a liberty to the Directors to alter and vary the terms and conditions of the said appointment and / or agreement, so as not to exceed the limits of remuneration, if any, specified in Schedule V to the Companies Act, 2013 or any amendments thereto as may be agreed to between the Board of Directors and Shri B.G. Gandhi..”

### **OVERALL REMUNERATION:**

Subject to the provisions of Sections 197, 198, read with Schedule V and other provisions applicable of the Companies Act, 2013, if any, the remuneration payable to Shri B.G. Gandhi, Jt. Managing Director, in any financial year shall not exceed 5% (five percent) of the net profits of the Company.

### **MINIMUM REMUNERATION**

Will be according to the applicable provisions of Schedule V of the Companies Act, 2013.

Within the aforesaid ceiling, the remuneration payable (except the Commission) to Shri B. G. Gandhi, Jt. Managing Director, shall be as follows:

### **SALARY, PERQUISITES AND ALLOWANCES**

Not Exceeding Rs.10,00,000/- p.m. inclusive of all perquisites and allowances except those specifically excluded as per Schedule V of the Act.

### **COMMISSION:**

As decided by the Board of Directors at the time of adoption of accounts, but not exceeding the ceiling in respect of overall remuneration as prescribed under Section 197 and 198 of the Companies Act, 2013.

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**Other Term and Conditions**

- a) Leave: 30 working days leave (travelling time included) once in every year of service, with encashment of un-availed leave at the end of tenure.
- b) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961; gratuity payable at a rate not exceeding half a month salary for each completed year of service and encashment of un-availed leave at the end of tenure shall not be included in the computation of the ceiling on remuneration in terms of Schedule V of the Companies Act, 2013.
- c) Shri B. G. Gandhi will not be entitled to sitting fees for meetings of the Board/ Committee of the Board attended by him.

**Registered Office:**

201-204, 2nd Floor, Plaza, 55, Hughes Road,  
Next to Dharam Palace,  
Mumbai- 400 007, Maharashtra  
CIN: L27104MH1985PLC036004

By order of the Board of Directors

Sd/-

**Jeegesha Shroff**

**Company Secretary & Compliance Officer**

Membership No: A48091

**Date: 18th December, 2017**

**Place: Mumbai**

**NOTES:**

1. The Explanatory Statement pursuant to the provisions of Section 102 read with Section 110 of the Companies Act, 2013 ("Act") stating material facts and reasons for the proposed resolutions is annexed hereto. It also contains all the disclosures as specified in the Securities and Exchange Board of India (Buyback of Securities) Regulations 1998.
2. This notice is being sent by electronic mode to those Members, whose e-mail addresses are registered with the Company/ Depositories, unless any Member has registered for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice will be available on the Company's website, [www.gandhitubes.com](http://www.gandhitubes.com) and on the website of Karvy Computershare Pvt Ltd, [karisma.karvy.com](http://karisma.karvy.com)
3. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members as on Friday, 22nd December, 2017 (**Cut-off date**). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date will be entitled to cast their votes by Postal Ballot or e-voting.
4. In compliance with the provisions of Sections 108 and 110 of the Act and Rule 20 and 22 of the Rules, Regulation 44 of the SEBI LODR, the Company is pleased to provide voting by electronic means ("e-voting") facility to the Members, to enable them to cast their votes electronically. The Company has engaged the services of Karvy Computershare Private Limited to provide e-voting facility to its Members.
5. Members can opt for only one mode of voting i.e. either Postal Ballot Form or e-voting. In case any Member votes both by Postal Ballot Form and e-voting, the votes cast through e-voting shall prevail and the votes cast through Postal Ballot Form shall be considered invalid.
6. The Resolution, if passed by requisite majority, will be deemed to be passed on the last date specified for receipt of duly completed Postal Ballot Form or e-voting i.e Saturday, 27th January, 2018.
7. A member cannot exercise his vote by proxy on Postal Ballot. Members desiring to exercise their vote by physical Postal Ballot are requested to carefully read the instructions printed overleaf on the Postal Ballot Form and return the said Form duly completed and signed, in the enclosed self-addressed Business Reply Envelope to the Scrutinizer, Shri Bhumitra V. Dholakia or in his absence, Shri Nrupang B. Dholakia, Designated Partner of M/s Dholakia & Associates, Company Secretaries in Practise, so that it reaches him not later than by 5.00 p.m. IST on Saturday, 27th January, 2018. The postage will be borne by

# GANDHI SPECIAL TUBES LIMITED

(CIN : L27104MH1985PLC036004)

the Company. However, envelopes containing Postal Ballot Form, if sent by courier or registered / speed post at the expense of the Members will also be accepted. If any Postal Ballot Form is received after 5.00 p.m. IST on Saturday, 27th January, 2018, it will be considered that no reply from the Member has been received. Additionally, please note that the Postal Ballot Forms shall be considered invalid if (i) it is not possible to determine without any doubt the assent or dissent of the Member, and/ or (ii) a competent authority has given directions in writing to the Company to freeze the voting rights of the Member, and/ or (iii) it is defaced or mutilated in such a way that its identity as a genuine form cannot be established; and/ or (iv) the Member has made any amendment to the resolutions set out herein or imposed any condition while exercising his vote.

8. The documents referred to in the Explanatory Statement such as the Memorandum of Association and Articles of Association of the Company, the audited accounts of the Company as on March 31, 2017 and draft agreements to be entered into with Managing Director and Joint Managing Director, will be available for inspection at the Company's registered office from the date of dispatch of this notice, between 11.00 am and 1.00 pm on any working day of the Company, till Saturday, 27th January, 2018.
9. Members who have received the Postal Ballot Notice by e-mail and who wish to vote through Physical Form may download the Postal Ballot Form attached in the e-mail or from Karvy's website, **karisma.karvy.com** or from the Company's website **www.gandhitubes.com** and send the duly completed and signed Postal Ballot Form to the Scrutinizer so as to reach on or before 5.00 p.m. IST on or before Saturday, 27th January, 2018.
10. In case a Member is desirous of obtaining duplicate Postal Ballot Form, the Member may write to the Company at its registered office or download the Postal Ballot Form from the Company's website, **www.gandhitubes.com** or from the website of Karvy's, **karisma.karvy.com**

## 11. EVOTING INSTRUCTIONS

### i) 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.

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 /post/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	29th December, 2017 (Friday)	9.00 a.m.
E-Voting Ends	27th January, 2018 (Saturday)	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 **Karvy Computershare 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.karvy.com” to cast your vote earlier for any company, then your exiting 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.
- xii) 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 [gstlevoting2016@dholakia-associates.com](mailto:gstlevoting2016@dholakia-associates.com) with copy to [evoting@karvy.com](mailto:evoting@karvy.com). The file scanned image of the Board Resolution should be in the naming format “Corporate Name\_ Event no.”

**A. In case a Member receives physical copy of the Notice of Postal Ballot [for members whose email IDs are not registered with the Company / Depository Participants(s)] or requesting physical copy:**

- (i) Initial password will be sent separately
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) Above, to cast vote.



# GANDHI SPECIAL TUBES LIMITED

(CIN : L27104MH1985PLC036004)

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## EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) AND 110 OF THE COMPANIES ACT, 2013

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned in the accompanying Notice.

### Item No. 1

#### **APPROVAL FOR BUYBACK OF EQUITY SHARES THROUGH TENDER OFFER ROUTE**

The Board of Directors of the Company at its meeting held on Monday, 18th December, 2017 ("**Board Meeting**") has, subject to the approval of the Members of the Company by way of Special Resolution through postal ballot ("**Special Resolution**") and subject to such approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, approved buyback of fully paid-up Equity Shares of the Company of face value of Rs. 5/- (Rupees Five) each ("**Equity Shares**") up to 8,80,000 (Eight Lakhs Eighty Thousand) Equity Shares, on a proportionate basis through the "**Tender Offer**" route through Stock Exchange mechanism in accordance with the Act, the Companies (Share Capital and Debentures) Rules, 2014 ("**Rules**"), to the extent applicable, the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, (the "**Buyback Regulations**"), as amended from time to time, read with Securities and Exchange Board of India Circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 ("**SEBI Circular**") at a price of Rs. 500/- (Rupees Five Hundred only) per Equity Share payable in cash for an aggregate consideration not exceeding Rs. 44,00,00,000/- (Rupees Forty Four Crores only) ("**Offer Size**") excluding transaction costs viz. filing fees, advisors' fees, brokerage, applicable taxes such as securities transaction tax, GST, stamp duty, public announcement expenses, printing and dispatch expenses and other incidental and related expenses, etc. ("**Buyback**"). The Buyback shall be within 25% of the aggregate of paid-up share capital and free reserves of the Company as per audited accounts of the Company as on March 31, 2017 (the last audited financial statements available as on the date of Board Meeting recommending the proposal of the Buyback). The Offer Size of the Buyback constitutes 24.89% of the aggregate paid-up share capital and free reserves of the Company, and represents 5.99% of the total issued and paid-up equity share capital of the Company.

Since the Buyback is more than 10% of the total paid-up equity capital and free reserves of the Company, in terms of Section 68(2) (b) of the Act, it is necessary to obtain the consent of the Members of the Company, to the Buyback, by way of a special resolution. Further, as per Section 110 of the Act read with Rule 22(16)(g) of the Rules, the consent of the Members of the Company to the Buyback is required to be obtained by means of postal ballot. Accordingly, the Company is seeking your consent for the aforesaid proposal as contained in the Resolution appended below.

#### **Requisite details relating to the Buyback are given below:**

##### **(a) Objective of the Buyback:**

The Buyback is being undertaken by the Company after taking into account the strategic and operational cash needs in the medium term and for returning surplus funds to the shareholders in an effective and efficient manner. The Buyback is being undertaken for the following reasons:

- (i) The Buyback will help the Company to return surplus cash to its shareholders, in proportion to their shareholding, thereby, enhancing the overall returns to shareholders;
- (ii) The Buyback is generally expected to improve return on equity and earnings per share by reduction in the equity base, thereby leading to long term increase in shareholders' value;
- (iii) The Buyback, which is being implemented through the Tender Offer route would involve allocating to the Small Shareholders the higher of: (a) the number of shares entitled per their shareholding; or (b) 15% of the number of shares to be bought back, as per Regulation 6 of the Buyback Regulations. The Company believes that this reservation for small shareholders would benefit a large number of the Company's public shareholders, who would be classified as "Small Shareholders";
- (iv) The Buyback gives an option to the shareholders of the Company, either to participate and get cash in lieu of Equity Shares to be accepted under the Buyback offer or not to participate and get a resultant increase in their percentage

shareholding in the Company post the Buyback offer, without additional investment.

**(b) Maximum number of securities that the company proposes to buyback:**

The Company proposes to buyback up to 8,80,000 (Eight Lakhs Eighty Thousand) Equity Shares of face value of Rs. 5/- (Rupees Five) each of the Company.

**(c) Buyback Price and basis of determining the price of the Buyback:**

The Equity Shares of the Company are proposed to be bought back at a price of Rs.500/- (Rupees Five Hundred only) per share ("Offer Price"). The Offer Price has been arrived at after considering various factors including, but not limited to the trends in the volume weighted average prices and closing price of the Equity Shares on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") where the Equity Shares of the Company are listed, the networth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buyback on the earnings per share.

**The Offer Price represents:**

- (i) Premium of 56.48% and 56.64% to the volume weighted average market price of the Equity Share on BSE and NSE, respectively, during the three months preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buyback.
- (ii) Premium of 35.85% and 37.55% over the closing price of the Equity Share on BSE and on NSE, respectively, as on December 11, 2017, being the date on which the Company intimated the Stock Exchanges of the date of the Meeting of the Board of Directors wherein proposal of the Buyback was considered.

The Company confirms that as required under Section 68(2)(d) of the Act, the ratio of the aggregate of secured and unsecured debts owed by the Company will not be more than twice the paid-up share capital and free reserves after the Buyback.

**(d) Maximum amount required for Buyback, its percentage of the total paid-up share capital and free reserves and source of funds from which Buyback would be financed:**

The maximum amount required for Buyback will not exceed Rs.44,00,00,000/- (Rupees Forty Four Crore only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, GST, stamp duty, etc. The said amount works out to 24.89% of the aggregate of the fully paid-up share capital and free reserves as per the audited accounts of the Company as on March 31, 2017 which is within the prescribed limit of 25%.

The funds for the implementation of the proposed Buyback will be sourced out of the free reserves and surplus, as permitted by the Buyback Regulations or the Act.

The Company shall transfer from its free reserves and surplus, a sum equal to the nominal value of the equity shares so bought back to the Capital Redemption Reserve Account and details of such transfer shall be disclosed in its subsequent audited financial statements.

The funds borrowed, if any, from Banks and Financial Institutions will not be used for the Buyback.

**(e) Method to be adopted for the Buyback:**

The Buyback shall be on a proportionate basis through the "Tender Offer" route, as prescribed under the Buyback Regulations, to the extent permissible, and the "Mechanism for acquisition of shares through Stock Exchanges" as prescribed under the SEBI Circular. The Buyback will be implemented in accordance with the Act, Rules, to the extent applicable, the Buyback Regulations and on such terms and conditions as may be deemed fit by the Company.

As required under the Buyback Regulations, the Company will announce a record date ("Record Date") for determining the names of the Members holding Equity Shares of the Company who will be eligible to participate in the Buyback ("Eligible

## **GANDHI SPECIAL TUBES LIMITED**

(CIN : L27104MH1985PLC036004)

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**Shareholder(s)**). Consequent to the approval of the Special Resolution under this Postal Ballot Notice, Eligible Shareholders will receive a Letter of Offer along with a Tender / Offer Form indicating their entitlement.

The Equity Shares to be bought back is divided in two categories:

- (i) Reserved category for small shareholders; and
- (ii) General category for all other shareholders.

As defined in Regulation 2(1)(la) of the Buyback Regulations, a “small shareholder” is a shareholder who holds equity shares having market value, on the basis of closing price on Stock Exchange having highest trading volume as on Record Date, of not more than Rs.2,00,000 (Rupees Two Lakhs only).

In accordance with Regulation 6 of the Buyback Regulations, 15% (Fifteen percent) of the number of Equity Shares which the Company proposes to buyback or such number of Equity Shares entitled as per the shareholding of small shareholders as on the record date, whichever is higher, shall be reserved for the small shareholders as part of this Buyback.

Based on the holding on the Record Date, the Company will determine the entitlement of each Eligible Shareholder to tender their shares in the Buyback. This entitlement for each Eligible Shareholder will be calculated based on the number of Equity Shares held by the respective shareholder as on the Record Date and the ratio of the Buyback applicable in the category to which such shareholder belongs. In order to ensure that the same shareholder with multiple demat accounts / folios does not receive a higher entitlement under the Small Shareholder category, the Company proposes to club together the equity shares held by such shareholders with a common Permanent Account Number (“PAN”) for determining the category (Small Shareholder or General) and entitlement under the Buyback. In case of joint shareholding, the Company will club together the equity shares held in cases where the sequence of the PANs of the joint shareholders is identical. In case of physical shareholders, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Company will check the sequence of the names of the joint holders and club together the equity shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, pension funds / trusts, insurance companies etc., with common PAN will not be clubbed together for determining the category and will be considered separately, where these equity shares are held for different schemes and have a different demat account nomenclature based on information prepared by the Registrar and Transfer Agent as per the shareholder records received from the Depositories.

Shareholders’ participation in Buyback will be voluntary. Eligible Shareholders holding Equity Shares of the Company can choose to participate and get cash in lieu of shares to be accepted under the Buyback or they may choose not to participate. Eligible Shareholders holding Equity Shares of the Company may also accept a part of their entitlement. Eligible Shareholders holding equity shares of the Company having exercised their right in full, also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other shareholders, if any.

The maximum tender under the Buyback by any Eligible Shareholder cannot exceed the number of Equity Shares held by the shareholder as on the Record Date.

The Equity Shares tendered as per the entitlement by Eligible Shareholders holding Equity Shares of the Company as well as additional shares tendered, if any, will be accepted as per the procedure laid down in Buyback Regulations. The settlement of the tenders under the Buyback will be done using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI Circular.

Detailed instructions for participation in the Buyback (tender of Equity Shares in the Buyback) as well as the relevant time table will be included in the Letter of Offer to be sent to the Eligible Shareholder(s).

**(f) Time limit for completing the Buyback:**

The Buyback, subject to the regulatory consents and approvals, if any, is proposed to be completed within 12 months from the date of special resolution approving the Buyback.

**(g) Compliance with Section 68(2)(c) of the Act:**

The aggregate paid-up share capital and free reserves as on March 31, 2017 is Rs.176,78,26,222/- (Rupees One Hundred Seventy Six Crores Seventy Eight Lakhs Twenty Six Thousand Two Hundred and Twenty Two). Under the provisions of the Act, the funds deployed for the Buyback cannot exceed 25% of the aggregate of the fully paid-up share capital and free reserves of the Company i.e. is Rs.44,19,56,556/- (Rupees Forty Four Crores Nineteen Lakhs Fifty Six Thousand Five Hundred and Fifty Six). The maximum amount proposed to be utilized for the Buyback, is not exceeding Rs. 44,00,00,000 /- (Rupees Forty Four Crores only) and is therefore within the limit of 25% of the Company's fully paid-up share capital and free reserves as per the audited accounts of the Company as on March 31, 2017 (the last audited financial statements available as on the date of Board meeting recommending the proposal for the Buyback). Further, under the Act, the number of Equity Shares that can be bought back in any financial year cannot exceed 25% of the total paid-up equity capital of the Company in that financial year. Accordingly, the maximum number of Equity Shares that can be bought back in the current financial year is 36,74,654 Equity Shares. Since the Company proposes to buyback up to 8,80,000 Equity Shares, the same is within the aforesaid 25% limit.

**(h) Details of holding and transactions in the shares of the Company:**

The aggregate shareholding of the Promoter, Promoter Companies / Entities, Directors of the Promoter Companies / Entities and of the Directors and Key Managerial Personnel of the Company as on Monday, 18th December, 2017, are as follows:

**(i) Aggregate shareholding of the Promoter, Promoter Companies / Entities as on Monday, 18th December, 2017:**

Sr. No.	Name	Number of Shares held	% Shareholding
1	MANHAR G GANDHI (HUF)	90,140	0.61
2	MANHAR G GANDHI (SMALL HUF)	1,34,060	0.91
3	MANHAR G GANDHI	21,15,670	14.39
4	BHUPATRAI G GANDHI (HUF)	1,20,360	0.82
5	BHUPATRAI G GANDHI (SMALL HUF)	1,27,720	0.87
6	BHUPATRAI G. GANDHI	19,40,571	13.20
7	JAYESH M GANDHI	11,67,466	7.94
8	MANOJ B GANDHI	10,97,168	7.46
9	BHARTI M.GANDHI	7,83,776	5.33
10	CHANDRA B.GANDHI	4,70,520	3.20
11	GOPI J.GANDHI	4,58,273	3.12
12	JIGNA M.GANDHI	4,49,443	3.06
13	KARISHMA J GANDHI	2,44,300	1.66
14	KARAN MANOJ GANDHI	2,43,000	1.65
15	KAVITA B GANDHI	99,600	0.68
16	RAHUL JAYESH GANDHI	69,000	0.47
17	JIGNA NILESH MEHTA	47,200	0.32
18	BINA TUSHAR SHAH	32,800	0.22
19	NILESH VINODRAI MEHTA	8,800	0.06
20	B. M. GANDHI INVESTMENT CO. LLP	5,59,300	3.81
21	GANDHI FINANCE CO. LLP	5,10,400	3.47
	<b>Total</b>	<b>1,07,69,567</b>	<b>73.27</b>

**(ii) Aggregate shareholding of the Directors / Partners of Promoter Companies / Entities, as on Monday, 18th December, 2017:**

**GANDHI SPECIAL TUBES LIMITED**

(CIN : L27104MH1985PLC036004)

<b>B.M GANDHI INVESTMENT CO. LLP</b>			
<b>Sr. No.</b>	<b>Name of Designated Partners</b>	<b>Number of Shares held</b>	<b>% Shareholding</b>
1	JAYESH M GANDHI	11,67,466	7.94
2	MANOJ B GANDHI	10,97,168	7.46

<b>GANDHI FINANCE CO. LLP</b>			
<b>Sr. No.</b>	<b>Name of Designated Partners</b>	<b>Number of Shares held</b>	<b>% Shareholding</b>
1	MANHAR G GANDHI	21,15,670	14.39
2	BHUPATRAI G. GANDHI	19,40,571	13.20
Partners:			
3	BHARTI M. GANDHI	7,83,776	5.33
4	CHANDRA B. GANDHI	4,70,520	3.20
5	MANOJ B. GANDHI	10,97,168	7.46
6	JAYESH M. GANDHI	11,67,466	7.94

**(iii) Aggregate shareholding of the Directors and Key Managerial Personnel of the Company, as on Monday, 18th December, 2017:**

<b>Sr. No.</b>	<b>Name</b>	<b>Designation</b>	<b>Number of Shares held</b>	<b>% Shareholding</b>
1	MANHAR G. GANDHI	Managing Director	21,15,670	14.39
2.	BHUPATRAI G. GANDHI	Joint Managing Director	19,40,571	13.20
3	JAYESH M. GANDHI	Non-executive Promoter Director	11,67,466	7.94
4	DHARMEN B. SHAH	Independent Director	-	-
5	DHIRAJLAL S. SHAH	Independent Director	4,250	0.03
6	KAVAS N. WARDEN	Independent Director	28,500	0.19
7.	BHAVI JATIN KORADIA.	Independent Director	-	-
8.	SHOBHANA RAJAN VARTAK	Chief Financial Officer	-	-
9.	JEEGEESHA SHROFF (CS)	Company Secretary	-	-

**(iv) Aggregate shares purchased or sold by the Promoter, Promoter Companies / Entities, Directors of the Promoter Companies / Entities and Directors & Key Managerial Personnel of the Company during a period of six months preceding the date of the board meeting at which the Buyback was approved till the date of this Notice:**

No Equity Shares of the Company have been purchased / sold by the Promoter, Promoter Companies / Entities, Directors of the Promoter Companies / Entities and Directors and Key Managerial Personnel of the Company during the period from 6 months preceding the date of the Board Meeting at which the Buyback was proposed till the date of this Postal Ballot Notice

**(i) Intention of Promoter, Promoter Companies / Entities to participate in Buyback:**

In terms of the Buyback Regulations, under the Tender Offer route, the Promoters of the Company have an option to participate in the Buyback. In this regard, the Promoters of the Company have expressed their intention via their letters dated 18th December, 2017 to participate in the Buyback and it may tender up to an aggregate maximum of 33,37,200 Equity Shares or such lower number of Equity Shares in accordance with the provisions of the Buyback Regulations. Please see below the maximum number of Equity Shares intended to be tendered by each of the Promoter:

<b>Sr. No.</b>	<b>Name of the Promoter</b>	<b>Number of Shares held</b>	<b>Maximum Number of Shares intended to Tender</b>
1	M.G. GANDHI	21,15,670	5,42,400

**GANDHI SPECIAL TUBES LIMITED**  
(CIN : L27104MH1985PLC036004)

2	BHARTI GANDHI	7,83,776	1,12,200
3	JAYESH GANDHI	11,67,466	2,11,000
4	GOPI GANDHI	4,58,273	1,97,800
5	KARISHMA GANDHI	2,44,300	28,000
6	RAHUL GANDHI	69,000	7,300
7	M.G. GANDHI (HUF)	90,140	24,400
8	M.G. GANDHI (SMALL HUF)	1,34,060	79,000
9	B.G. GANDHI	19,40,571	5,80,000
10	CHANDRA GANDHI	4,70,520	62,600
11	MANOJ GANDHI	10,97,168	2,12,000
12	JIGNA GANDHI	4,49,443	83,600
13	KARAN GANDHI	2,43,000	24,000
14	B.G. GANDHI HUF	1,20,360	24,400
15	B.G. GANDHI (SMALL) HUF	1,27,720	78,800
16	B.M. GANDHI INVESTMENT CO LLP	5,59,300	5,59,300
17	GANDHI FINANCE CO LLP	5,10,400	5,10,400
	<b>Total</b>	<b>1,05,81,167</b>	<b>33,37,200</b>

The details of the date and price of acquisition of the Equity Shares that the Promoter intends to tender are set-out below:

1) **M.G. GANDHI**

Date of Transaction / Allotment	Nature of Transaction	Number of Equity Shares	Consideration (Cash / other than Cash) (Rs. / Share)	Face Value (Rs.)
30/12/1992	Rights Issue	1,01,700	10.00	10.00
30/04/1998	Purchase	90,000	6.52	10.00
07/04/2001	Purchase	69,500	12.65	10.00
	<b>Sub-Total</b>	<b>2,61,200</b>		
26/03/2008	Sub division of Face Value of Equity Shares from Rs.10/- each to Rs.5/- each			
	<b>Sub-Total</b>	<b>5,22,400</b>		
30/01/2009	Purchase	20,000	39.51	5.00
	<b>Total</b>	<b>5,42,400</b>		

2) **BHARTI GANDHI**

Date of Transaction / Allotment	Nature of Transaction	Number of Equity Shares	Consideration (Cash / other than Cash) (Rs. / Share)	Face Value (Rs.)
20/06/1996	Purchase	25,000	19.45	10.00
02/08/1996	Purchase	2,500	17.40	10.00
05/08/1996	Purchase	7,300	16.95	10.00
08/03/1999	Purchase	4,000	9.38	10.00
11/03/1999	Purchase	3,000	9.37	10.00
12/03/1999	Purchase	3,400	9.21	10.00
10/08/2001	Purchase	10,900	10.80	10.00
	<b>Sub-Total</b>	<b>56,100</b>		
26/03/2008	Sub division of Face Value of Equity Shares from Rs.10/- each to Rs.5/- each			
	<b>Total</b>	<b>1,12,200</b>		

**GANDHI SPECIAL TUBES LIMITED**

(CIN : L27104MH1985PLC036004)

**3) JAYESH GANDHI**

Date of Transaction / Allotment	Nature of Transaction	Number of Equity Shares	Consideration (Cash / other than Cash) (Rs. / Share)	Face Value (Rs.)
02/01/1996	Purchase	11,000	18.71	10.00
08/01/1996	Purchase	44,000	18.62	10.00
09/01/1996	Purchase	500	17.65	10.00
17/10/2000	Purchase	35,100	17.50	10.00
20/10/2000	Purchase	14,900	17.22	10.00
<b>Sub-Total</b>		<b>1,05,500</b>		
26/03/2008	Sub division of Face Value of Equity Shares from Rs.10/- each to Rs.5/- each			
<b>Total</b>		<b>2,11,000</b>		

**4) GOPI GANDHI**

Date of Transaction / Allotment	Nature of Transaction	Number of Equity Shares	Consideration (Cash / other than Cash) (Rs. / Share)	Face Value (Rs.)
29/09/1997	Purchase	4,000	10.35	10.00
13/02/1997	Purchase	3,000	15.00	10.00
14/02/1997	Purchase	1,000	15.00	10.00
24/02/1997	Purchase	1,100	15.15	10.00
25/02/1997	Purchase	6,000	15.33	10.00
26/02/1997	Purchase	900	15.15	10.00
24/02/1997	Purchase	300	15.15	10.00
14/03/1997	Purchase	16,200	14.43	10.00
17/03/1997	Purchase	5,500	15.00	10.00
18/03/1997	Purchase	3,500	14.80	10.00
31/03/1999	Purchase	500	9.35	10.00
01/04/1999	Purchase	17,000	9.45	10.00
12/08/2003	Purchase	15,000	22.60	10.00
26/02/2004	Purchase	12,900	30.89	10.00
15/09/2006	Purchase	12,000	137.68	10.00
<b>Sub-Total</b>		<b>98,900</b>		
26/03/2008	Sub division of Face Value of Equity Shares from Rs.10/- each to Rs.5/- each			
<b>Total</b>		<b>1,97,800</b>		

**5) KARISHMA GANDHI**

Date of Transaction / Allotment	Nature of Transaction	Number of Equity Shares	Consideration (Cash / other than Cash) (Rs. / Share)	Face Value (Rs.)
16/11/1998	Purchase	8,000	8.86	10.00
11/09/1999	Purchase	1,700	12.77	10.00
20/09/1999	Purchase	4,300	12.86	10.00
<b>Sub-Total</b>		<b>14,000</b>		
26/03/2008	Sub division of Face Value of Equity Shares from Rs.10/- each to Rs.5/- each			
<b>Total</b>		<b>28,000</b>		

6) RAHUL GANDHI

Date of Transaction / Allotment	Nature of Transaction	Number of Equity Shares	Consideration (Cash / other than Cash) (Rs. / Share)	Face Value (Rs.)
30/01/2009	Purchase	4,300	38.52	5.00
02/02/2009	Purchase	3,000	38.19	5.00
<b>Total</b>		<b>7,300</b>		

7) M.G. GANDHI (HUF)

Date of Transaction / Allotment	Nature of Transaction	Number of Equity Shares	Consideration (Cash / other than Cash) (Rs. / Share)	Face Value (Rs.)
25/01/1988	Rights Issue	12,200	10.00	10.00
<b>Sub-Total</b>		<b>12,200</b>		
26/03/2008	Sub division of Face Value of Equity Shares from Rs.10/- each to Rs.5/- each			
<b>Total</b>		<b>24,400</b>		

8) M.G. GANDHI (SMALL) HUF

Date of Transaction / Allotment	Nature of Transaction	Number of Equity Shares	Consideration (Cash / other than Cash) (Rs. / Share)	Face Value (Rs.)
25/01/1988	Right Issue	39,500	10.00	10.00
<b>Sub-Total</b>		<b>39,500</b>		
26/03/2008	Sub division of Face Value of Equity Shares from Rs.10/- each to Rs.5/- each			
<b>Total</b>		<b>79,000</b>		

9) B.G. GANDHI

Date of Transaction / Allotment	Nature of Transaction	Number of Equity Shares	Consideration (Cash / other than Cash) (Rs. / Share)	Face Value (Rs.)
07/12/1995	Purchase	20,000	17.10	10.00
20/04/1998	Purchase	90,000	6.52	10.00
16/10/2000	Purchase	95,300	17.30	10.00
17/10/2000	Purchase	29,700	17.50	10.00
02/04/2001	Purchase	55,000	12.65	10.00
<b>Sub-Total</b>		<b>2,90,000</b>		
26/03/2008	Sub division of Face Value of Equity Shares from Rs.10/- each to Rs.5/- each			
<b>Total</b>		<b>5,80,000</b>		

10) CHANDRA GANDHI

Date of Transaction / Allotment	Nature of Transaction	Number of Equity Shares	Consideration (Cash / other than Cash) (Rs. / Share)	Face Value (Rs.)
11/02/1999	Purchase	2,200	9.25	10.00
08/03/1999	Purchase	2,900	9.37	10.00
25/10/1999	Purchase	5,000	14.15	10.00
06/01/2000	Purchase	2,300	13.20	10.00



**GANDHI SPECIAL TUBES LIMITED**

(CIN : L27104MH1985PLC036004)

07/01/2000	Purchase	1,900	13.27	10.00
09/07/2001	Purchase	5,000	12.60	10.00
12/08/2003	Purchase	12,000	22.60	10.00
<b>Sub-Total</b>		<b>31,300</b>		
26/03/2008	Sub division of Face Value of Equity Shares from Rs.10/- each to Rs.5/- each			
<b>Total</b>		<b>62,600</b>		

**11) MANOJ GANDHI**

Date of Transaction / Allotment	Nature of Transaction	Number of Equity Shares	Consideration (Cash / other than Cash) (Rs. / Share)	Face Value (Rs.)
02/01/1996	Purchase	11,000	18.71	10.00
08/01/1996	Purchase	44,000	18.62	10.00
09/01/1996	Purchase	1,000	17.65	10.00
20/10/2000	Purchase	50,000	17.22	10.00
<b>Sub-Total</b>		<b>1,06,000</b>		
26/03/2008	Sub division of Face Value of Equity Shares from Rs.10/- each to Rs.5/- each			
<b>Total</b>		<b>2,12,000</b>		

**12) JIGNA GANDHI**

Date of Transaction / Allotment	Nature of Transaction	Number of Equity Shares	Consideration (Cash / other than Cash) (Rs. / Share)	Face Value (Rs.)
09/07/2001	Purchase	7,000	12.60	10.00
12/08/2003	Purchase	10,000	22.60	10.00
26/02/2004	Purchase	12,800	30.89	10.00
15/09/2006	Purchase	12,000	137.68	10.00
<b>Sub-Total</b>		<b>41,800</b>		
26/03/2008	Sub division of Face Value of Equity Shares from Rs.10/- each to Rs.5/- each			
<b>Total</b>		<b>83,600</b>		

**13) KARAN GANDHI**

Date of Transaction / Allotment	Nature of Transaction	Number of Equity Shares	Consideration (Cash / other than Cash) (Rs. / Share)	Face Value (Rs.)
29/09/1997	Purchase	4,000	10.35	10.00
12/11/1998	Purchase	8,000	8.85	10.00
<b>Sub-Total</b>		<b>12,000</b>		
26/03/2008	Sub division of Face Value of Equity Shares from Rs.10/- each to Rs.5/- each			
<b>Total</b>		<b>24,000</b>		

**14) B.G. GANDHI HUF**

Date of Transaction / Allotment	Nature of Transaction	Number of Equity Shares	Consideration (Cash / other than Cash) (Rs. / Share)	Face Value (Rs.)
25/01/1988	Rights Issue	12,200	10.00	10.00

<b>Sub-Total</b>	<b>12,200</b>		
26/03/2008	Sub division of Face Value of Equity Shares from Rs.10/- each to Rs.5/- each		
<b>Total</b>	<b>24,400</b>		

**15) B.G. GANDHI (SMALL) HUF**

Date of Transaction / Allotment	Nature of Transaction	Number of Equity Shares	Consideration (Cash / other than Cash) (Rs. / Share)	Face Value (Rs.)
25/01/1988	Rights Issue	39,400	10.00	10.00
<b>Sub-Total</b>		<b>39,400</b>		
26/03/2008	Sub division of Face Value of Equity Shares from Rs.10/- each to Rs.5/- each			
<b>Total</b>		<b>78,800</b>		

**16) B.M. GANDHI INVESTMENT CO. LLP**

Date of Transaction / Allotment	Nature of Transaction	Number of Equity Shares	Consideration (Cash / other than Cash) (Rs. / Share)	Face Value (Rs.)
23/05/1986	IPO	1,32,150	10.00	10.00
30/12/1992	Rights Issue	1,59,500	10.00	10.00
<b>Sub-Total</b>		<b>2,91,650</b>		
15/09/2006	Sale	12,000	136.32	10.00
<b>Sub-Total</b>		<b>2,79,650</b>		
26/03/2008	Sub division of Face Value of Equity Shares from Rs.10/- each to Rs.5/- each			
<b>Total</b>		<b>5,59,300</b>		

**17) GANDHI FINANCE CO. LLP**

Date of Transaction / Allotment	Nature of Transaction	Number of Equity Shares	Consideration (Cash / other than Cash) (Rs. / Share)	Face Value (Rs.)
23/05/1986	IPO	13,780	10.00	10.00
25/01/1988	Rights Issue	5,920	10.00	10.00
30/12/1992	Rights Issue	2,47,500	10.00	10.00
<b>Sub-Total</b>		<b>2,67,200</b>		
15/09/2006	Sale	12,000	136.32	10.00
<b>Sub-Total</b>		<b>2,55,200</b>		
26/03/2008	Sub division of Face Value of Equity Shares from Rs.10/- each to Rs.5/- each			
<b>Total</b>		<b>5,10,400</b>		

**(j) Confirmations from Company as per the provisions of Buyback Regulations and Act:**

- (i) The Company shall not issue any equity shares or other securities (including by way of bonus) till the date of closure of the Buyback;
- (ii) The Company shall not raise further capital for a period of one year from the closure of the Buyback offer, except in discharge of subsisting obligations;
- (iii) The Company shall not withdraw the Buyback after the draft letter of offer is filed with SEBI or the public announcement of the offer to buyback is made;

## GANDHI SPECIAL TUBES LIMITED

(CIN : L27104MH1985PLC036004)

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- (iv) The Equity Shares bought back by the Company will be compulsorily cancelled and will not be held for re-issuance.
  - (v) The Company shall not buyback locked-in shares and non-transferable shares or other specified securities till the pendency of the lock-in or till the shares or other specified securities become transferable;
  - (vi) The Company shall transfer from its free reserves a sum equal to the nominal value of the equity shares purchased through the Buyback to the Capital Redemption Reserve account and the details of such transfer shall be disclosed in its subsequent audited balance sheet;
  - (vii) The Company confirms that there are no defaults subsisting in repayment of deposits, redemption of debentures or interest thereon or redemption of preference shares or payment of dividend, or repayment of any term loans or interest payable thereon to any financial institution or banking company.
- (k) **Confirmations from the Board:** The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion that:
- (i) Immediately following the date of the Board meeting held on December 18, 2017, and the date on which the result of Members resolution passed by way of Postal Ballot (“**Postal Ballot Resolution**”) will be declared, approving the Buyback, there will be no grounds on which the Company could be found unable to pay its debts;
  - (ii) As regards the Company’s prospects for the year immediately following the date of the Board meeting held on December 18, 2017 approving the Buyback as well as for the year immediately following the date of Postal Ballot Resolution, and having regard to the Board’s intention with respect to the management of Company’s business during that year and to the amount and character of the financial resources which will in the Board’s view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board meeting as also from the date Postal Ballot Resolution;
  - (iii) In forming an opinion as aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities), as if the Company was being wound up under the provisions of the Act (to the extent applicable) and the Insolvency and Bankruptcy Code, 2016.
- (l) **Report addressed to the Board of Directors by the Company’s Auditors on the permissible capital payment and the opinion formed by directors regarding insolvency:**

The text of the Report dated 18th December, 2017 received from **Shashikant J. Shah & Co.**, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

The Board of Directors,  
Gandhi Special Tubes Limited  
201-204, Plaza, 2nd Floor,  
55, Hughes Road,  
Next to Dharam Palace,  
Mumbai- 400 007  
Maharashtra, India

**Sub: Statutory Auditor’s Report in respect of proposed buyback of equity shares by Gandhi Special Tubes Limited (the “Company”) in terms of the clause (xi) of Part A of Schedule II of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998, (as amended) ( “ Buyback Regulations”)**

1. This Report is issued in accordance with the terms of our engagement letter dated December 18, 2017
2. The Board of Directors of the Company have approved a proposal for buyback of Equity Shares by the Company at its meeting held on December 18, 2017 in pursuance of the provisions of Sections 68, 69 and 70 of the Companies Act, 2013 (the “Act”) and the Buyback Regulations. We have been requested by the Management of the Company to provide a report on the accompanying statement of permissible capital payment (‘Annexure A’) as at March 31, 2017 (hereinafter

referred to as the "Statement"). This statement has been prepared by the Management, which we have initialled for the purposes of identification only.

#### **Management's Responsibility**

The preparation of the Statement in accordance with Section 68 (2)(c) of the Companies Act, 2013 and the compliance with the Buyback Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

#### **Auditor's Responsibility**

Pursuant to the requirement of the Buyback Regulations, it is our responsibility to provide a reasonable assurance:

- i. whether we have inquired into the state of affairs of the Company in relation to the Audited Financial Statements as at March 31, 2017;
- ii. if the amount of permissible capital payment as stated in Annexure A, has been properly determined considering the Audited Financial Statements as at March 31, 2017 in accordance with Section 68(2) of the Companies Act, 2013; and
- iii. if the Board of Directors of the Company, in their meeting held on December 18, 2017 have formed the opinion as specified in Clause (x) of Part A of Schedule II to the Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the aforesaid date and from the date on which the results of the shareholders' resolution with regard to the proposed buyback are declared.

The financial statements referred above, have been audited by M/s S. V. Doshi & Co., Chartered Accountants- erstwhile auditor of the company and have issued an unmodified audit opinion in their report dated May 16, 2017.

The erstwhile auditors have confirmed in their report referred to above as follows and we have relied on the same: "our audit of these financial statements in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement."

We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

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

#### **Opinion**

Based on our examination and information and explanation given to us and the report of erstwhile auditor have been furnished to us by the management, we report that:

- a. We have enquired into the state of affairs of the Company in relation to its audited financial statements as at and for the period year ended March 31, 2017 which has been approved by the Board of Directors of the Company on May 16, 2017;
- b. The amount of permissible capital payment (including premium) towards the proposed buyback of equity shares

## **GANDHI SPECIAL TUBES LIMITED**

(CIN : L27104MH1985PLC036004)

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as computed in the Statement attached herewith, is properly determined in our view in accordance with Section 68 (2)(c) of the Act. The amounts of share capital and free reserves have been extracted from the audited financial statements of the Company as at and for the year ended March 31, 2017.

- c. The Board of Directors of the Company, in their meeting held on December 18, 2017 have formed their opinion as specified in clause (x) of Part A of Schedule II to the Buyback Regulations, on reasonable grounds and that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the Board meeting resolution dated December 18, 2017, and from the date on which the results of the shareholders' resolution with regard to the proposed buyback are declared.

### **Restriction on Use**

This report has been issued at the request of the Company solely for use of the Company

- (i) in connection with the proposed buyback of equity shares of the Company in pursuance to the provisions of Sections 68 and other applicable provisions of the Companies Act, 2013 and the Buyback Regulations,
- (ii) to enable the Board of Directors of the Company to include in the explanatory statement to the notice for special resolution, public announcement, draft letter of offer, letter of offer and other documents pertaining to buyback to be sent to the shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, public shareholders and any other regulatory authority as per applicable law and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and
- (iii) for providing to the Managers, each for the purpose of extinguishment of equity shares and may not be suitable for any other purpose.

For **Shashikant J. Shah & Co.,**  
**Chartered Accountants**  
(Firm Registration No: **109996W**)

Sd/-  
**Nikunj Shah**  
**[Partner]**

(Membership No: 112867)  
December 18, 2017  
Mumbai

**Annexure A**

**Statement of permissible capital payment (including premium) as at March 31, 2017**

The amount of permissible capital payment (including premium) towards the proposed buyback of equity shares as computed in the table below is properly determined in our view in accordance with Section 68(2)(c) of the Act. The amounts of share capital and free reserves have been extracted from the audited standalone financial statements of the Company for the period ended March 31, 2017:-

<b>Particulars as on March 31, 2017</b>		<b>Amount (Rs.)</b>
<b>Paid-up Share Capital (1,46,98,616 shares of Rs.5/- each)</b>	<b>A</b>	<b>7,34,93,080</b>
Free Reserves		
- Profit and loss account balance		139,43,33,142
- Securities Premium		-
- General Reserve		30,00,00,000
<b>Total Free Reserves</b>	<b>B</b>	<b>169,43,33,142</b>
<b>Total Paid-up Share Capital and Free Reserves</b>	<b>A + B</b>	<b>176,78,26,222</b>
Maximum amount permissible for buyback under Section 68 of the Companies Act, 2013 (25% of the total paid-up share capital and free reserves)		44,19,56,556

For **Shashikant J. Shah & Co.,**  
**Chartered Accountants**  
(Firm Registration No: **109996W**)

Sd/-  
**Nikunj Shah**  
**[Partner]**

(Membership No: 112867)  
December 18, 2017  
Mumbai

## **GANDHI SPECIAL TUBES LIMITED**

(CIN : L27104MH1985PLC036004)

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(m) For any clarifications related to the Buyback process, shareholders holding Equity Shares of the Company may contact:

Company : Gandhi Special Tubes Limited  
Contact Person : Jeegeesha Shroff  
Tel : 022-23634179  
Email : [complianceofficer@gandhitubes.com](mailto:complianceofficer@gandhitubes.com)

All the material documents referred to in the Notice and Explanatory Statement such as the Memorandum and Articles of Association of the Company, relevant Board resolution for the Buyback, the Auditors Report dated 18th December, 2017 and the audited accounts for the period from April 1, 2016 to March 31, 2017, the Auditors Report dated 16th May, 2017, are available for inspection without any fee by the shareholders at the Company's registered office during normal business hours on working days from the date of dispatch of the notice up to the last date of voting, i.e. Saturday, 27th January, 2018.

In the opinion of the Board, the proposal for Buyback is in the interest of the Company and its Members holding equity shares of the Company. The Directors, therefore, recommend the Special Resolution as set out in the accompanying Notice for approval by the Members.

None of the Directors or any Key Managerial Personnel of the Company or their respective relatives are in anyway, concerned or interested, either directly or indirectly in passing of the said Resolution, save and except to the extent of their respective interest as Members of the Company.

### **Item Nos. 2 & 3:**

As per the requirements of Section 102(1) read with Section 110 and other applicable provisions of the Companies Act, 2013, this Explanatory Statement contains relevant and material information to enable the shareholders to consider and approve the Special Resolutions set out at item nos. 2 and 3 of the Notice.

The present term of Shri M.G. Gandhi as Managing Director and Shri B.G. Gandhi as Joint Managing Director is expiring on 31st December, 2017.

Based on the recommendations and approval of the Nomination and Remuneration Committee and the Audit Committee, the Board of Directors of the Company at its Meeting held on Wednesday, 8th November, 2017 re-appointed Shri M.G. Gandhi and Shri B.G. Gandhi as Managing Director and Joint Managing Director respectively of the Company, for a further period of Five Years with effect from 1st January 2018, subject to the approval by the members in General Meeting in accordance with the provisions of Sec 196(3) and Schedule V of the Companies Act, 2013.

Shri M.G. Gandhi at present is 76 years old and Shri B.G. Gandhi at present is 78 years old but keeping good health, attends the affairs of the Company including office/factory work regularly. Section 196 (3) read with clause c of part I of Schedule V to the Companies Act, 2013, provides that the Central Government approval is not required for appointment of such Managing Director and Joint Managing Director if the approval is accorded by the shareholders by passing the special resolution

Keeping in view that Shri M.G. Gandhi and Shri B.G. Gandhi have rich and varied experience in the industry and has been involved in the operations of the Company over a long period of time, it would be in the interest of the Company to re-appoint them as Managing Director and Jt. Managing Director respectively. The terms and conditions including remuneration payable to Shri M.G. Gandhi and Shri B.G. Gandhi are set out in the draft Agreements to be entered into by the Company with Shri M.G. Gandhi and Shri B. G. Gandhi.

The Board recommends the re-appointment of Shri M.G. Gandhi and Shri B.G. Gandhi as the Managing Director and Joint Managing Director respectively

Shri M.G. Gandhi and Shri B.G. Gandhi are interested in the above resolutions in respect of their respective reappointments as also they being related to each other. Shri Jayesh Gandhi, Director is also interested being related to the Managing Director and the Joint Managing Director. No other Director is concerned or interested in the said resolutions.

The overall remuneration is in accordance with the provisions of Section I of Part II of Schedule V to the Companies Act, 2013 and the minimum remuneration is in accordance with the provisions of Section II of Part II of the Schedule V to the Companies

Act, 2013 and subject to the overall limit of 10% (5% for each) of the net profits of the Company for each financial year computed in the manner prescribed in Section 198 of the Companies Act, 2013.

The text in Resolution may also be considered as an extract of the terms and conditions of appointment of the Managing Director and Jt. Mg. Director as required under Section 190 of the Companies Act, 2013.

**Registered Office:**

201-204, 2nd Floor, Plaza, 55, Hughes Road,  
Next to Dharam Palace,  
Mumbai- 400 007, Maharashtra  
CIN: L27104MH1985PLC036004

By order of the Board of Directors

Sd/-

**Jeegeesha Shroff**  
**Company Secretary & Compliance Officer**  
Membership No: A48091

**Date: 18th December, 2017**

**Place: Mumbai**



**GANDHI SPECIAL TUBES LIMITED**

(CIN : L27104MH1985PLC036004)

**ADDITONAL INFORMATION ON DIRECTOR RECOMMENDED FOR APPOINTMENT**

Pursuant to Regulation 36 of SEBI (Listing Obligations And Disclosure Requirements) Regulations 2015) and Standard 1.2.5 of SS-2, Secretarial Standard on General Meetings

<b>Name of the Director</b>	<b>Shri Manhar G. Gandhi</b>	<b>Shri Bhupatrai G. Gandhi</b>
<b>DIN</b>	00041190	00041273
<b>Date of Birth</b>	June 1, 1941	November 16, 1939
<b>Date of Appointment on the Board</b>	Since Incorporation	Since Incorporation
<b>Qualification</b>	B.Com	B.Com
<b>Experience &amp; Brief profile and nature of their expertise in specific functional areas</b>	Shri M.G. Gandhi has a rich and extensive experience of management and his vision and commitment has enabled the Company to steer through the most difficult times in the initial years	Shri B. G. Gandhi has a wide experience of production & his innovative vision and commitment has enabled the Company steer through the most difficult times He was also instrumental in development & setting up facilities for production of Cold Formed Nuts. This product has received very good response from the customers.
<b>Directorships held in other companies.</b>	NIL	NIL
<b>Memberships / Chairmanships of committees across all other public companies</b>	NIL	NIL
<b>Relationship with other Directors/ Manager/Key Managerial Personnel</b>	Brother of Shri B.G. Gandhi, Jt. Managing Director of the Company Father of Shri Jayesh Gandhi, Non Executive Director of the Company.	Brother of Shri M.G. Gandhi, Managing Director of the Company
<b>Shareholding in the Company</b>	2115670 shares (14.39%)	1940571 shares (13.20%)
<b>No. of Board Meetings attended during the year</b>	16th May, 2017 4th September, 2017 8th November, 2017 18th December, 2017	16th May, 2017 4th September, 2017 8th November, 2017



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

**GANDHI SPECIAL TUBES LIMITED**

**Registered Office:** 201-204, 2nd Floor, Plaza, 55, Hughes Road,  
Next to Dharam Palace, Mumbai- 400 007, Maharashtra, India

**Tel:** +91-22- 2363 4179, **Fax No:** +91-22- 2363 4392

**Email:** complianceofficer@gandhitubes.com **Website:** www.gandhitubes.com

**CIN:** L27104MH1985PLC036004

**POSTAL BALLOT FORM**

(Please read the instructions printed overleaf carefully before filling this form)

Sl. No. :

1. Name and Registered address of the Member :
2. Name(s) of Joint holder(s), if any :
3. Registered Folio No. / DP ID No./ Client ID No.\* :  
(\*Applicable to investors holding shares in dematerialised form)
4. Number of Equity Shares held as on 22.12.17 :

I/We hereby exercise my/our vote in respect of the Special Resolution to be passed through Postal Ballot as stated in the Postal Ballot Notice of the Company dated 18th December, 2017, by sending my/our Assent (For) or Dissent (Against) to the said Special Resolution by placing a tick (✓) mark at the appropriate box below:

Sl. No.	Description of Special Resolution	I/We assent to the Resolution (FOR) (Number of Shares)	I/We dissent to the Resolution (AGAINST) (Number of Shares)
1	Approval for Buyback of Equity Shares through Tender Offer Route		
2	Re-appointment of Shri M.G. Gandhi as Managing Director and payment of remuneration with effect from 01.01.2018		
3	Re-appointment of Shri B.G. Gandhi as Joint Managing Director and payment of remuneration with effect from 01.01.2018		

Place :

Date :

\_\_\_\_\_  
Signature of the Member

**Important Note: Please complete and return this Postal Ballot Form to the Scrutinizer by using the enclosed postage pre-paid self-addressed Business Reply Envelope. Last Date for Receipt of this Postal Ballot Form by the Scrutinizer is 27th January, 2018**

**ELECTRONIC VOTING PARTICULARS**

(Please visit '<https://evoting.karvy.com>' to cast your vote online)

EVEN (E-Voting Event Number)	USER ID	PASSWORD

**Notes :**

1. *Please read the instructions printed below carefully before filling this Form and for e voting, please refer to the instructions for voting through electronic means provided in the Postal Ballot Notice sent herewith.*

**IMPORTANT INSTRUCTIONS**

1. A Member desirous of exercising vote by postal ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the attached self-addressed postage prepaid business reply envelope. Postage will be borne by the Company. Envelopes containing Postal Ballot Form, if deposited in person or sent by courier or any other mode at the expense of the Member(s) will also be accepted.
2. Please convey your assent / dissent in this Postal Ballot Form only. The assent or dissent received in any other form shall not be considered valid.
3. The self-addressed postage prepaid business reply envelope bears the postal address of the Scrutinizer appointed by the Company.
4. The Postal Ballot Form should be completed and signed by the Member (as per specimen signature registered with the Company/ RTA or Depository Participants, in respect of shares held in the physical form or dematerialized form respectively). In case of joint holding, Postal Ballot Form must be completed and signed by the first named member and in his/her absence, by the next named member.
5. In case of shares held by the Companies, Trusts, Societies, etc., the duly completed Postal Ballot Forms should be accompanied by a certified true copy of board resolution/authorization giving requisite authority to the person voting on the Postal Ballot Form, together with the duly attested specimen signature(s) of the authorized signatories.
6. The Postal Ballot Form duly completed and signed should be forwarded to the Scrutinizer (i.e., Shri Bhumitra V. Dholakia or in his absence, Shri Nrupang B. Dholakia, Designated Partner of M/s Dholakia & Associates, LLP, Company Secretaries in Whole time Practice), appointed by the Company so as to reach the Scrutinizer (C/o M/s. GANDHI SPECIAL TUBES LIMITED, 201-204, Plaza, 2nd Floor, 55 Hughes Road, Next to Dharam Palace, Mumbai- 400 007) not later than the close of working hours on or before 27th January, 2018 i.e. 5:00 p.m. Postal Ballot Forms received after this will be strictly treated as if the reply from such members has not been received.
7. A Member can apply for duplicate Postal Ballot Form through an email at [complianceofficer@gandhitubes.com](mailto:complianceofficer@gandhitubes.com), if so required. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than the close of working hours on or before 27th January, 2018 i.e. 5:00 p.m. For any clarification(s), please contact M/s. Karvy Computershare Private Limited on toll free number: 1800 3454001.
8. The right of voting by postal ballot shall not be exercised by proxy.
9. Members are requested to fill the Postal Ballot Form in indelible ink and avoid filling it by using erasable writing mediums like pencil.
10. Voting rights shall be reckoned on the paid-up value of shares registered in the name(s) of member(s) on the cut-off date i.e. Friday, 22nd December, 2017.
11. Unsigned, incomplete or incorrectly ticked Postal Ballot Forms shall be rejected.
12. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed postage prepaid business reply envelope. If any extraneous paper is found, the same will be destroyed by the Scrutinizer.
13. There will be one Postal Ballot Form for every Folio/Client ID, irrespective of the number of Joint holders.
14. The Scrutinizer's decision on the validity of postal ballot shall be final.
15. The Company is pleased to offer e-voting facility as an alternative, for all the Members of the Company to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. E-voting is optional. The detailed procedure of e-voting is enumerated in the Notes to the Postal Ballot Notice.
16. The result on postal ballot shall be announced on or before Monday, 29th January, 2018.

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