



# Gandhi Special Tubes Ltd.

Regd. Off.: 201-204, Plaza, 2nd Floor, 55 Hughes Road, Next to Dharam Palace, Mumbai - 400 007.  
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E-mail : info@gandhitubes.com • Website : www.gandhitubes.com  
CIN.: L27104MH1985PLC036004



February 26, 2018

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

**Sub: PROCEEDINGS OF POSTAL BALLOT**

In terms of Regulation 30 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, we are enclosing the proceedings of Postal Ballot

We request you to take the same on record

Thanking you,

Yours faithfully,  
For **Gandhi Special Tubes Limited**

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



HELD AT \_\_\_\_\_ ON \_\_\_\_\_ TIME \_\_\_\_\_

**GANDHI SPECIAL TUBES LIMITED****PROCEEDINGS OF THE POSTAL BALLOT**

**PROCEEDINGS OF THE POSTAL BALLOT PROCESS CONDUCTED BY GANDHI SPECIAL TUBES LIMITED AND ANNOUNCEMENT OF RESULTS AT ITS REGISTERED OFFICE AT 201 – 204, PLAZA, 2<sup>ND</sup> FLOOR, 55 HUGHES ROAD, NEXT TO DHARAM PALACE, MUMBAI – 400 007 ON MONDAY, THE 29<sup>TH</sup> OF JANUARY, 2018 AT 3.45 P.M. (DATE OF PASSING THE RESOLUTION: 27<sup>TH</sup> JANUARY, 2018)**

**PRESENT**

Shri. M. G. Gandhi - Chairman & Managing Director (Member)  
Shri Jayesh M. Gandhi - Director (Member)

**IN ATTENDANCE**

Smt. Shobhana Vartak - Chief Financial Officer  
Shri Bhunitra V. Dholakia - Scrutinizer  
Ms. Jeegeesha Shroff - Company Secretary & Compliance Officer

**Background**

It was informed by the Company Secretary that the Company, pursuant to Section 110 and all other applicable provisions of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and all applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has proposed to pass a Special Resolution through Postal Ballot as mentioned in the notice dated 18<sup>th</sup> December, 2017

The Company has provided the facility of e-voting to all the shareholders who were members as on the cut-off date (i.e. 22<sup>nd</sup> December, 2017) and appointed M/s Karvy Computershare Private Ltd as an agency to provide the e-voting platform. The Company completed the dispatch of the notice to the shareholders on 28<sup>th</sup> December, 2017 and the voting period was commenced on 29<sup>th</sup> December, 2017 at 9 00 a.m. (IST) and ended on 27<sup>th</sup> January, 2018 at 5 00 p.m. (IST)


The Company also released a newspaper publication in Free Press Journal (English) and Navshakti (Marathi) on 28<sup>th</sup> December, 2017 intimating about the completion of dispatch of Postal Ballot Notices to the Shareholders.

Shri Bhunitra 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 was appointed as a Scrutinizer for conducting the Postal ballot and e-voting in fair and transparent manner. The deemed date of passing the resolution is the last date of receipt of duly completed postal ballot form and the date of closure of e-voting process i.e. 27<sup>th</sup> January, 2018 in terms of para 16.6.3 of the Secretarial Standards-2 on General Meetings.

The notice of the Postal Ballot was sent by email to those members whose e-mail ID were registered with their depository participants (in case of shares held in DEMAT Form) and by Registered Post the members whose email ID were not registered. The notice of Postal Ballot was also posted on the Company's website, [www.gandhitubes.com](http://www.gandhitubes.com).

After the due scrutiny of all the Postal Ballot forms/ e-voting received within the prescribed time, the Scrutinizer has submitted his report on 29<sup>th</sup> January, 2018.

On the basis of the report of the Scrutinizer, Shri Manhar Gandhi, Managing Director of the Company declared the results on 29<sup>th</sup> January, 2018 at 3.45 p.m. and the following resolutions as mentioned in the Notice of Postal Ballot have been duly passed as **Special Resolutions**:

  
CHAIRMAN'S INITIALS

HELD AT \_\_\_\_\_

ON \_\_\_\_\_

TIME \_\_\_\_\_

**GANDHI SPECIAL TUBES LIMITED****PROCEEDINGS OF THE POSTAL BALLOT**

Item No:1.

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

**"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 thereunder, if any, Income Tax Act, 1961 and rules and regulations framed thereunder, 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 thereunder, if any.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the power(s) conferred hereinabove 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,



CHAIRMAN'S INITIALS

HELD AT \_\_\_\_\_ ON \_\_\_\_\_ TIME \_\_\_\_\_

**GANDHI SPECIAL TUBES LIMITED****PROCEEDINGS OF THE POSTAL BALLOT**

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.

**Summary of Results**

Particulars	No. of Votes			Percentage
	E-voting Votes	Postal Ballot Votes	Total Votes	
<b>Favor</b>	11002535	194990	11197525	99.9944
<b>Against</b>	31	601	632	0.0056
<b>Total</b>	11002566	195591	11198157	100.00
<b>Abstain/Invalid</b>	-	-	-	-

Based on the above results, the Resolution has been deemed to have been passed with requisite majority on Saturday, 27<sup>th</sup> January, 2018 (i.e. last date for receipt of Postal Ballot Forms) as per Clause 16.6.3 of Secretarial Standards-2.


  
 CHAIRMAN'S INITIALS

HELD AT \_\_\_\_\_ ON \_\_\_\_\_ TIME \_\_\_\_\_

**GANDHI SPECIAL TUBES LIMITED****PROCEEDINGS OF THE POSTAL BALLOT****Item no. 2-****RE-APPOINTMENT OF SHRI M.G. GANDHI AS MANAGING DIRECTOR AND  
PAYMENT OF REMUNERATION WITH EFFECT FROM 01.01.2018**

"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.

**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.



CHAIRMAN'S INITIALS



HELD AT \_\_\_\_\_ ON \_\_\_\_\_ TIME \_\_\_\_\_

**GANDHI SPECIAL TUBES LIMITED PROCEEDINGS OF THE POSTAL BALLOT**

**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 B. G. Gandhi will not be entitled to sitting fees for meetings of the Board/ Committee of the Board attended by him.

Summary of Results

Particulars	No. of Votes			Percentage
	E-voting	Postal Ballot	Total	
	Votes	Votes	Votes	
Favor	10812353	195590	11007943	98.3025
Against	190089	1	190090	1.6975
Total	11002442	195591	11198033	100
Abstain/Invalid	-	-	-	-

Based on the above results, the Resolution has been deemed to have been passed with requisite majority on Saturday, 27<sup>th</sup> January, 2018 (i.e. last date for receipt of Postal Ballot Forms) as per Clause 16.6.3 of Secretarial Standards-2.

DATE: 26/02/18  
PLACE: MUMBAI

*[Signature]*  
MANAGING DIRECTOR  
(DIN: 00041190)

*Entered on 26/02/18*  
*Jugesh Sharma*

CHAIRMAN'S INITIALS