

Date: July 29, 2022

To,  
**BSE Limited,**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai-400001

**Subject: Corrigendum to the 26<sup>th</sup> Annual General Meeting for the Financial Year 2021-22.**

Scrip Code: 537326 (Chemtech Industrial Valves Limited)

Respected Sir/Ma'am,

This is in furtherance to our letter dated 20<sup>th</sup> July, 2022 wherein the Company had submitted its Annual report along with the Notice of the 26<sup>th</sup> Annual General Meeting scheduled to be held on Tuesday, 16<sup>th</sup> August, 2022 at 10.00 am at the registered office of the Company situated at 105, Hiranandani Indl. Estate, Opp. Kanjur Marg Rly Station, Mumbai-400078.

We wish to inform the BSE and all the stakeholders of the Company that an error was noticed in the Annual Report and Notice for the F.Y. 2021-2022 after the same was dispatched on 20<sup>th</sup> July, 2022 through email:

1. On Page No.02 of 26<sup>th</sup> Annual Report –“To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**” to be read as **Special Resolution**.

We are enclosing herewith the Notice along with the Annual Report for the FY 2021-2022 after incorporating of the above change and the same is also available on the website of the Company.

Kindly take the same in your records.

Thanking You,

Yours Sincerely,

**For Chemtech Industrial Valves Limited**



**Prachi Dilkhush Kothari**  
**Company Secretary & Compliance Officer**



Encl: As above



**CHEMTECH**  
INDUSTRIAL VALVES LTD

**26<sup>TH</sup> ANNUAL REPORT 2021-2022**

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## **CORPORATE INFORMATION**

### **DIRECTORS & KEY MANAGERIAL PERSONNELS:**

Mr. Harsh Pradeep Badkur	Chairman and Managing Director
Mr. Ignatious David Chittatukarakaran Inasu	Whole-Time Director
Mr. Puneet Pradeep Badkur	Whole-Time Director & CFO
Mr. Niranjay Amritlal Choudhary	Non-Executive Independent Director
Mrs. Manisha Yogesh Lakhani	Non-Executive Independent Director
Mr. Hemant Goyal	Additional Non-Executive Independent Director
Ms. Prachi Dilkhush Kothari	Company Secretary and Compliance Officer

### **REGISTERED OFFICE:**

105, Hiranandani Ind. Estate,  
Opp. Kanjurmarg Railway Station,  
Mumbai – 400078  
Telephone No. +91-2225839500 / 8220  
Email: [investors@chemtechvalves.com](mailto:investors@chemtechvalves.com)  
Website- <http://www.chemtechvalves.com>

### **CORPORATE OFFICE:**

503, 5<sup>th</sup> Floor, Sunrise Business Park,  
Plot No.B-68, Road No.16,  
Wagle Estate, Thane (W),  
Mumbai- 400604

### **AUDITORS:**

#### **STATUTORY AUDITOR**

**M/s. Raju & Prasad,**  
511, The Corporate Centre,  
Nirmal Lifestyle Mall, L.B.S. Marg,  
Mulund (W), Mumbai – 400 080

#### **SECRETARIAL AUDITOR:**

**Pimple & Associates,**  
Office No: G-3, Building B, Labh Ashish, Old  
Police Lane, Andheri (E), Mumbai-400069

### **REGISTRAR AND SHARE TRANSFER AGENT:**

**Bigshare Services Private Limited**  
Office No S6-2 , 6th floor Pinnacle Business  
Park , Next to Ahura Centre Mahakali Caves  
Road , Andheri (East) Mumbai 400093

### **FACTORY:**

**Chemtech Industrial Valves Ltd., Survey  
No.37, Kondala road, Village Vadavali,  
Kudus, Taluka Wada, Dist. Palghar - 421312**

### **BANKERS TO THE COMPANY:**

- A. IndusInd Bank Limited
- B. The Bharat Co-Op. Bank (Mumbai) Limited
- C. Yes Bank Limited
- D. HDFC Bank Limited
- E. IDFC First Bank

## CHAIRMAN'S STATEMENT

Dear Shareholders,

I have great pleasure to welcome you all to the 26<sup>th</sup> Annual General Meeting of our Company. It gives me pleasure to communicate with you once again. The Directors' Report and the Financial Statement for the year ended 31<sup>st</sup> March, 2022 together with the report of Auditors are already with you. I am sure you are fully aware of the financial & physical health of your company.

Financial Year 2021-22 has been a very significant year for your Company as we have achieved several breakthroughs which will propel our future growth exponentially. Some of these laurels achieved are as mentioned below:

1. Orders received for Critical Blast Furnace Valves in Steel Plants which is a High Margin Segment;
2. Our unique offering "Line Blinds" has been showcased extensively in Industry & Orders received for several installations.

The Company is very optimistic about its Prospectus over the next 4 to 5 years in light of the Huge Capex being undertaken by all major Industrial Houses in India.

Our designing capability to innovate enables us to meet the changing customer needs. We believe that our growth has been due to our ability to understand customer needs and build a product of optimal design.

We value the importance of our relationships and will continue to remain fair & true in all our dealings with all the stakeholders.

I express my sincere gratitude to my Directors on the board for their valuable guidance & contribution & thank you all the stakeholders for being with us in this phase and assure you that in upcoming years the Company shall always strive better to give a performance. Thank you all for attending this meeting Ladies & Gentlemen.

Date: 18<sup>th</sup> July, 2022

Place: Mumbai

Sd/-  
Harsh Pradeep Badkur  
DIN: 00676715  
Chairman & Managing Director

## **NOTICE OF THE 26<sup>TH</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the **26<sup>th</sup> Annual General Meeting (“AGM”)** of the members of **Chemtech Industrial Valves Limited** will be held on Tuesday, 16<sup>th</sup> August, 2022 at 10:00 a.m. at 105, Hiranandani Industrial Estate, Opp. Kanjurmarg Railway Station, Mumbai-400 078 to transact the following business:

### **ORDINARY BUSINESS:**

#### **Item No. 1**

To receive, consider and adopt the Audited Financial Statements and the reports of the Board of Directors and Auditors thereon for the Financial Year ended on 31<sup>st</sup> March, 2022.

#### **Item No. 2:**

To appoint a director in place of Mr. Puneet Pradeep Badkur (DIN: 07803209) who retires by rotation and being eligible, offers himself for re-appointment.

#### **Item No. 3:**

To consider and approve re-appointment of M/S Raju & Prasad, Chartered Accountants as statutory auditors of the Company and to fix their remuneration.

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

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force) M/S Raju & Prasad, Chartered Accountants (registration number 003475S), be and are hereby re-appointed as Statutory Auditors of the Company for a second consecutive term of five (5) years to hold office from the conclusion of the 26<sup>th</sup> Annual General Meeting of the Company till the conclusion of the 31<sup>st</sup> Annual General Meeting on such remuneration plus applicable taxes, out-of-pocket expenses, as may be mutually agreed upon by the Board of the Directors and the Statutory Auditors on the recommendations of the Audit Committee.”

### **SPECIAL BUSINESS:**

#### **Item No. 4:**

Appointment of Mr. Hemant Goyal (DIN: 00031162), Additional Director of the Company, as a Non-Executive Independent Director on the Board of the Company.

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161 read with schedule IV and Section 161(1) read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions, (including any statutory modifications or re-enactment

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thereof for the time being in force) read with Regulation 25(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, **Mr. Hemant Goyal** (DIN: 00031162), who was appointed by the Board as an Additional Director and has submitted a declaration that he meets the criteria of independence, be and is hereby appointed as a Non-Executive Independent Director of the Company to hold office for five consecutive years, not liable to retire by rotation.

**RESOLVED FURTHER THAT** any of the Directors of the Company or the Company Secretary be and are hereby authorized to do all such acts, deeds and things as may be required to give effect to the above resolution and to file such forms and other related documents as may be required to be filed with Registrar of Companies, Mumbai.”

**Registered office:**

105 Hiranandani Indl  
Estate, Opp. Kanjur Marg  
Railway Station, Mumbai-  
400078

Place: Mumbai  
Date: 18<sup>th</sup> July, 2022

**For and on behalf of the Board of Director**

Sd/-	Sd/-
Puneet Pradeep Badkur	Harsh Pradeep Badkur
Chief Financial Officer	Chairman & Managing Director
DIN: 07803209	DIN: 00676715

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**NOTES:**

**A MEMBER OF THE COMPANY, WHO IS ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, IS ENTITLED TO APPOINT A PROXY, WHO NEED NOT BE A MEMBER, TO ATTEND AND VOTE ON BEHALF OF HIMSELF/HERSELF AND PROXY NEED NOT BE MEMBER OF THE COMPANY.**

1. A person can act as proxy on the behalf of members not exceeding fifty (50) in number and holding in aggregate not more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. Corporate Members are requested to forward a certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
3. The Instrument of appointing the Proxy, in order to be effective, must be received at the Company's Registered Office not less than 48 (Forty Eight) hours before the Commencement of Meeting, Proxies submitted on the behalf of the company, society etc. must be supported by appropriate resolution/authority, as applicable, issued on the behalf of the nominating organization.
4. Members/ Proxies are requested to bring the Attendance Slip duly filled up for attending the Meeting.
5. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection at the AGM.
6. Register of Members and Share Transfer Books of the Company will remain closed from Friday, 5<sup>th</sup> August, 2022 to Monday, 15<sup>th</sup> August, 2022 both days inclusive.
7. Members are requested to:
  - a. Intimate to the respective Depository Participant, changed if any, in their registered addresses at an early date, in case of shares held in electronic/dematerialized form;
  - b. Quote their folio number/ client ID/DP ID in all correspondence;
  - c. Consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. In pursuance to the General Circular No. 20/2020 dated 05.05.2020, Circular No. 02/2021 dated 13.01.2021, Circular no. 19/2021 dated 08.12.2021, Circular No. 21/2021 dated 14.12.2021, Circular No. 02/2022 dated 05.05.2022 issued by the Ministry of Corporate Affairs ("MCA") and Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by the SEBI (hereinafter collectively referred to as "the Circulars")



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regarding relaxation of compliances for conducting the AGM for the Financial Year 2021-22, Notice for the AGM along with the Annual Report, etc., are being sent through electronic mode to such members of the Company whose e-mail addresses are available with the Company/ Depository participant

10. Members are requested to support the Green Initiative by registering/ updating their e-mail addresses, with their respective Depository participant. Members may also note that the Notice of the 26<sup>th</sup> Annual General Meeting and the Annual Report for 2021-22 are also available at the Company's website <http://www.chemtechvalves.com> for their download. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at <https://www.bseindia.com/> and the AGM Notice is also available on the company website <http://www.chemtechvalves.com>, at NSDL (agency for providing the Remote e-Voting facility) i.e. <http://www.evoting.nsdl.com>. For any communication, the shareholders may also send requests to the Company's investor email id: [investors@chemtechvalves.com](mailto:investors@chemtechvalves.com).
11. The Board of Directors have recommended appointment of Mr. Hemant Goyal as the Non-Executive Independent Director on the Board of the Company, thus accordingly the resume, nature of their expertise in specific functional areas, names of Companies in which they hold directorships and memberships /chairmanships of Board Committees as stipulated under Listing Obligation and Disclosure Regulations 2015 is enclosed herewith.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit PAN to their Depository Participants with whom they are maintaining their accounts.
13. At the 21<sup>st</sup> AGM held on 29<sup>th</sup> September, 2017 the members approved appointment of M/s. Raju & Prasad, Chartered Accountants (Firm Registration No.0034755) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 26<sup>th</sup> AGM to be held in year 2022, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from 7<sup>th</sup> May, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the twenty-sixth AGM.  
M/s. Raju & Prasad, Chartered Accountants, will cease to be the Statutory Auditor of the Company effective from the conclusion of the ensuing AGM. The Board of Directors at their meeting held on 19<sup>th</sup> May, 2022 have considered and recommended the re-appointment of M/s. Raju & Prasad, Chartered Accountants, as the Statutory Auditors of the Company for a consecutive period of five 5 years from the conclusion of the ensuing AGM on the basis of recommendation of the Audit Committee

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14. Members desiring any information relating to the accounts are requested to write to the Company well in advance to enable the management to keep the information ready.
15. Relevant documents referred to in the accompanying notice shall remain open for inspection at the corporate office of the company during normal business hours (9.30 a.m. to 5.30 p.m.) on all working days except Saturdays and Sundays and including the date of the Annual General Meeting of the Company.
16. Proxy form, Attendance slip and Route Map of the venue of the meeting is provided with the report.

**Registered office:**

105 Hiranandani Indl  
Estate, Opp. Kanjur Marg  
Railway Station, Mumbai-  
400078

**For and on behalf of the Board of Director**

Place: Mumbai  
Date: 18<sup>th</sup> July, 2022

Sd/-  
Puneet Pradeep Badkur  
Chief Financial Officer  
DIN: 07803209

Sd/-  
Harsh Pradeep Badkur  
Chairman & Managing Director  
DIN: 00676715

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

The remote e-voting period begins on Saturday, 13<sup>th</sup> August, 2022 at 09:00 a.m. and ends on Monday, 15<sup>th</sup> August, 2022 at 05:00 p.m. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, 05<sup>th</sup> August, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, 05<sup>th</sup> August, 2022.

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:





**Step 1: Access to NSDL e-Voting system****A) Login method for e-Voting for Individual shareholders holding securities in demat**

Mode In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li data-bbox="539 1223 1471 1659">1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li data-bbox="539 1671 1471 1827">2. If you are not registered for IDeAS e-Services, option to register is available at. <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li data-bbox="539 1839 1471 2036">3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “<b>Login</b>” which is available under ‘<b>Shareholder/Member</b>’ section. A new screen will open. You will have to</li> </ol>

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	<p>enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; align-items: center; gap: 20px;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 20px; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="https://www.cdslindia.com/">https://www.cdslindia.com/</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="https://www.cdslindia.com/">https://www.cdslindia.com/</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised touse

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Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****

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	c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***	
5. Password details for shareholders other than Individual shareholders are given below:			
a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.			
b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.			
c) How to retrieve your 'initial password'? (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'. (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.			
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password: a) Click on " <b>Forgot User Details/Password?</b> "(If you are holding shares in your demat account with NSDL or CDSL) option available on <a href="http://www.evoting.nsdl.com">www.evoting.nsdl.com</a> . b) <b>Physical User Reset Password?</b> " (If you are holding shares in physical mode) option available on <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> c) If you are still unable to get the password by aforesaid two options, you can send a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> mentioning your demat account number/folio number, your PAN, your name and your registered address etc. d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.			
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.			
8. Now, you will have to click on "Login" button.			
9. After you click on the "Login" button, Home page of e-Voting will open.			

**Step 2: Cast your vote electronically on NSDL e-Voting system.****How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e- mail to : <mailto:spimarteyandassociates@gmail.com> with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e- voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on <https://www.evoting.nsdl.com/> to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of <https://www.evoting.nsdl.com/> or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Megha Malviya at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories/company for procuring user id and password and registration of e mail ids for e- voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to <mailto:investors@chemtechvalves.com>
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self- attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to <mailto:investors@chemtechvalves.com>. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.

**CHEMTECH INDUSTRIAL VALVES LIMITED**

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**Registered office:**

105 Hiranandani Indl  
Estate, Opp. Kanjur Marg  
Railway Station, Mumbai-  
400078

Place: Mumbai  
Date: 18<sup>th</sup> July, 2022

**For and on behalf of the Board of Director**

	Sd/-	Sd/-
	Puneet Pradeep Badkur	Harsh Pradeep Badkur
	Chief Financial Officer	Chairman & Managing Director
	DIN: 07803209	DIN: 00676715



## Explanatory Statement

As required under Section 102 of the Companies Act, 2013 (the “Act”) and in terms of Regulation 36 of the SEBI LODR, the following explanatory statement sets out all material facts relating to business mentioned under Item Nos. 3 and 4 of the accompanying Notice:

### ITEM NO. 3

In accordance with Sections 139 and 142 of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Members of the Company had, at the 21<sup>st</sup> Annual General Meeting (‘AGM’) appointed M/S Raju & Prasad, Chartered Accountants (Firm Registration No. 003475S) as the Statutory Auditors of the Company for a period of five (5) consecutive years from the conclusion of the 21<sup>st</sup> AGM till the conclusion of the 26<sup>th</sup> AGM to be held in year 2022 of the Company.

After evaluating all proposals and considering various factors such as independence, industry experience, technical skills, geographical presence, audit team, audit quality reports, etc., M/S Raju & Prasad has been recommended to be re-appointed as the Statutory Auditors of the Company.

The Board of Directors of the Company at their meeting held on Thursday, 19<sup>th</sup> May 2022, on the recommendation of the Audit Committee, have recommended the re-appointment of M/S Raju & Prasad as the Statutory Auditors of the Company, for the approval of the Members at the 26<sup>th</sup> AGM of the Company for a term of five consecutive years from the conclusion of 26<sup>th</sup> AGM till the conclusion of 31<sup>st</sup> AGM of the Company to be held in the year 2027, on such remuneration plus applicable taxes, out-of-pocket expenses, as may be mutually agreed upon by the Board of the Directors and the Statutory Auditors on the recommendations of the Audit Committee.

Pursuant to Section 139 of the Act and the rules framed thereunder, the Company has received written consent from M/S Raju & Prasad and a certificate that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder. As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/S Raju & Prasad, has confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI. The Board recommends the Resolution at Item No. 3 of this Notice for approval of the Members.

None of the Directors, Key Managerial Personnel (“KMP”) of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution set out at Item No. 3 of the Notice.

**CHEMTECH INDUSTRIAL VALVES LIMITED****ITEM NO. 4**

Mr. Hemant Goyal (DIN: 00031162), on the recommendation of the Nomination and Remuneration Committee was appointed as an Additional Director with effect from 19<sup>th</sup> May, 2022 by the Board in accordance with the provisions of the Articles of Association read with Section 149 and 161 of the Companies Act, 2013.

As such, Mr. Hemant Goyal holds office as Director up to the date of this AGM and is eligible for appointment as a Non-Executive Independent Director.

Further details of Mr. Hemant Goyal have been given in the Annexure to this Notice.

Mr. Hemant Goyal is eligible to be appointed as a Director in terms of Section 164(2) of the Act. A declaration to this effect and the consent to act as Director, subject to appointment by the Members, has been received from Mr. Hemant Goyal. Further, he has also confirmed that he is not debarred from holding the office of a director pursuant to any SEBI Order or any such Authority.

The Board recommends the Resolution at Item No. 4 of this Notice for approval of the Members by way of Special Resolution as provided under Regulation 26 of Listing Regulations.

None of the Directors or Key Managerial Personnel or their respective relatives other than Mr. Hemant Goyal is concerned or interested in the Resolution at Item No. 4 of the Notice.

Mr. Hemant Goyal is not related to any Director or KMP

**Registered office:**

105 Hiranandani Indl  
Estate, Opp. Kanjur Marg  
Railway Station, Mumbai-  
400078

Place: Mumbai  
Date: 18<sup>th</sup> July, 2022

**For and on behalf of the Board of Director**

Sd/-  
Puneet Pradeep Badkur  
Chief Financial Officer  
DIN: 07803209

Sd/-  
Harsh Pradeep Badkur  
Chairman & Managing Director  
DIN: 00676715

**ANNEXURE TO NOTICE****Brief Profile of Proposed Independent Director****Mr. Hemant Goyal**

Mr. Hemant Goyal is a Non-Executive Independent Director of the Company. He joined the Board of the Company in 2022. Mr. Hemant Goyal is an acumen business man and having the wide experience of business development. A vision to lead the business in an ethical way helps the company to lead in the better corporate governance.

<b>Name of Director</b>	<b>Hemant Goyal</b>
<b>Director Identification Number (DIN)</b>	00031162
<b>Date of Birth</b>	18 <sup>th</sup> September, 1976
<b>Age</b>	45
<b>Date of Appointment</b>	19 <sup>th</sup> May, 2022
<b>Qualifications</b>	Chartered Accountant
<b>Expertise in specific functional areas</b>	Companies Act, 2013, SEBI LODR Regulations, Accounting and Auditing and other related matters.

**Terms and Conditions of Appointment**

- Terms of Appointment:** - Pursuant to the provisions of section 149 of the Companies Act, 2014 and provisions of the listing agreement of BSE. Appointment is w.e.f. 19<sup>th</sup> May, 2022 to hold office till the conclusion of the Annual General Meeting to be held for financial year ending 2021-22, subject to approval of members in the ensuing Annual General Meeting, for appointment as an Independent Director to hold office for a term up to five consecutive years from the date of ensuing Annual General Meeting of the Company.
- Duties:** - In addition to their role as a Director, the Board may nominate Independent Director as the Chairman / Member of other Board Committees, as it may deem fit from time to time. - Further, schedule IV of the new Companies Act, 2013 prescribes certain duties of Independent Directors. Independent director shall also comply with the duties provided under section 166 of the companies act, 2013.
- Expectation of the Board from the appointed directors.** As a Non- Executive Independent Director you are expected to bring objectivity and independence of view to the Board's discussions and to help provide the Board with effective leadership in relation to the Company's strategy, performance, and risk management as well as enduring high standard of corporate governance.

**CHEMTECH INDUSTRIAL VALVES LIMITED**

4. **Code of Business Ethics:** - The Board has put in place a Code of Business Ethics. An annual affirmation of Compliance is required to be provided by the Independent Directors on the same. The Policy of the code of conduct is also posted on the website of the company.
  
5. **Remuneration:** - Directors are entitled to a Sitting Fee for every meeting of the Board/ Committee of Board. The amount of sitting fess shall be as decided by the Board from time to time, as deemed fit. The Board may also approve payment of a Commission with respect to the net profits of the Company, subject to necessary approvals. The Board may prescribe any further duties and responsibilities, including as per the provisions of the applicable regulations.

**CHEMTECH INDUSTRIAL VALVES LIMITED****PROXY FORM**

Pursuant to Section 105(6) of the Companies Act 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s): .....

Registered address: .....

E-mail Id: ..... Folio No./ DP ID No./Client ID No. ....

I/We, being the member(s) of Chemtech Industrial Valves Limited, holding ..... shares, hereby appoint

Name: .....E-mail Id: .....

Address: .....

Signature: .....

Or failing him/her

Name: .....E-mail Id: .....

Address: .....

Signature: .....

Or failing him/her

Name: .....E-mail Id: .....

Address: .....

Signature: .....

as my/our Proxy to attend and vote for me/us on my/ our behalf at the 26<sup>th</sup> Annual General Meeting of the Company, to be held on Tuesday, 16<sup>th</sup> August, 2022 at 10:00 a.m. at 105, Hiranandani Industrial Estate, Opp. Kanjur Marg Railway Station, Mumbai-400 078 and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2022

Signature of Shareholder.....Signature of Proxy holder(s).....

Affix One Rupee Revenue Stamp
--

**NOTES:**

1. This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company at 105, Hiranandani Industrial Estate, Opp. Kanjur Marg Railway Station, Mumbai – 400 078, not less than 48 hours before commencement of the Meeting.

2. Those Members who have multiple folios with different joint holders may use copies of this Attendance Slip/Proxy Form.

**CHEMTECH INDUSTRIAL VALVES LIMITED****ATTENDANCE SLIP**

I/We hereby record my/our presence at the Twenty-Sixth Annual General Meeting of the Company to be held on Tuesday, 16<sup>th</sup> August, 2022 at 10:00 a.m. at 105, Hiranandani Industrial Estate, Opp. Kanjur Marg Railway Station, Mumbai – 400 078.

FolioNo./ DPIDNo./ ClientID No. \_\_\_\_\_

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

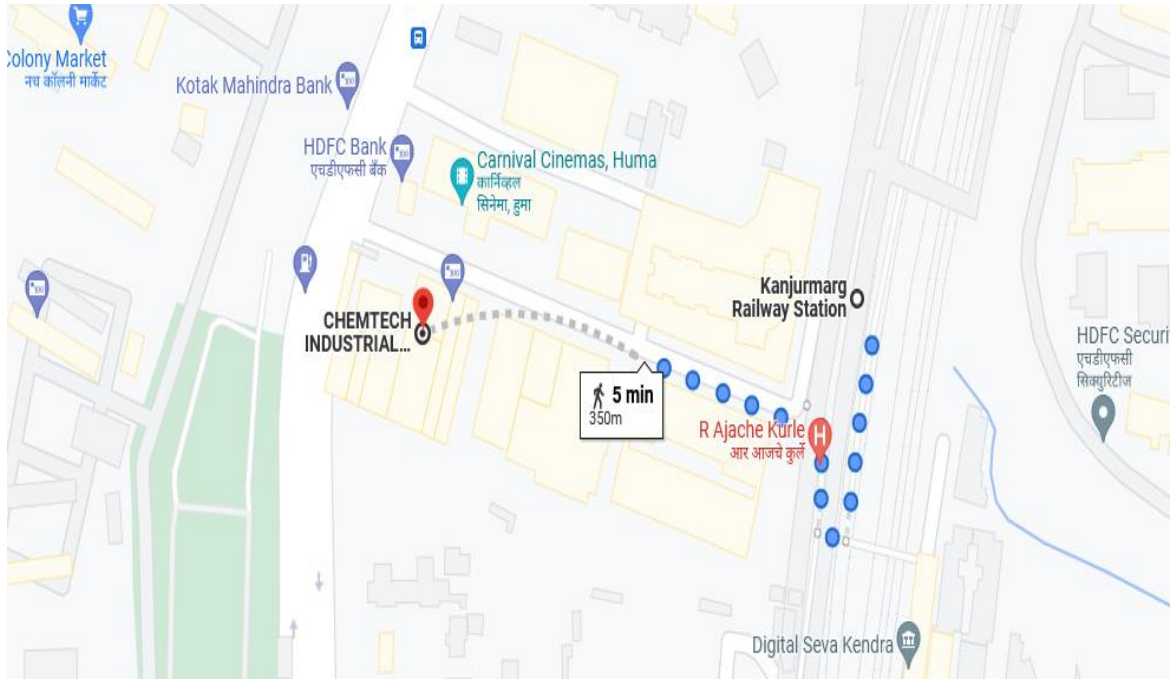
Name of the Proxy holder \_\_\_\_\_ Signature \_\_\_\_\_

1. Only Member/Proxy holder can attend the Meeting.
2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

CHEMTECH INDUSTRIAL VALVES LIMITED

**ROUTE MAP FOR 26<sup>TH</sup> ANNUAL GENERAL MEETING**

**Venue:** 105, Hiranandani Industrial Estate, Opp. Kanjur Marg Railway Station, Mumbai – 400 078



**BOARD'S REPORT**

Dear Members,

Your Directors are pleased to present the 26<sup>th</sup> Annual Report of the company together with Audited Statement of Accounts and the Auditor's Report for the Financial Year ended 31<sup>st</sup> March 2022. The summarized financial results for the financial year are as under:

**1. Financial Results:**

The Financial performance of your Company for the year under review is summarized below:

Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
Revenue from Operations	11,49,37,886	13,91,58,564
Other Income	18,14,562	13,91,341
<b>Total Income</b>	<b>11,67,52,448</b>	<b>14,05,49,905</b>
Less: Depreciation/ Amortization/ Impairment	1,01,12,968	98,74,280
<b>Profit /loss before Finance Costs, Exceptional items and Tax Expense</b>	<b>10,66,39,480</b>	<b>13,06,75,625</b>
Less: Finance Costs	1,36,28,509	1,35,67,188
Less: Other Operating & Non-Operating Expenses	9,90,49,016	11,05,40,412
<b>Profit /loss before Exceptional items and Tax Expense</b>	<b>(60,38,045)</b>	<b>65,68,025</b>
Add/(less): Exceptional items	0	0
<b>Profit /loss before Tax Expense</b>	<b>(60,38,046)</b>	<b>65,68,025</b>
Less: Tax Expense		
Current Tax	0	0
Deferred Tax	(4,30,657)	(2,70,616)
<b>Profit /loss for the year (1)</b>	<b>(56,07,388)</b>	<b>68,38,641</b>
<b>Total Comprehensive Income/loss (2)</b>		0
<b>Total (1+2)</b>	<b>(56,07,388)</b>	<b>68,38,641</b>
<b>Balance of profit /loss for earlier years</b>		

The Standalone Gross Revenue from operations for FY 2021-2022 was Rs. 11,67,52,448/- as against Rs. 14,05,49,905/- in the previous year 2020-2021 which shows the decrease in Revenue by 16.93%. The Company incurred a Loss of Rs. 56,07,388/- for FY 2021-2022 as against Profit of Rs. 68,38,641/- reported in the previous year 2020-2021 which shows the decrease in profitability by 18 %.



## **2. Transfer to Reserves**

During the Financial Year 2021-2022, the Company has not transferred any amount to General Reserve under the head of Reserve and Surplus Account.

## **3. Dividend**

During the year under review, the Company has incurred losses and thus the Board of Directors of the Company, after considering holistically the relevant circumstances, has decided that it would be prudent, not to recommend any Dividend for the financial year 2021-2022.

## **4. Transfer of Amounts to Investor Education and Protection Fund**

The Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

## **5. Change in the Nature of Business, if any**

During the Financial Year 2021-2022, the Company has not entered into any new business. Hence the nature of business remained the same.

## **6. Deposit**

The Company has not accepted or renewed any amount falling within the provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence the requirement for furnishing details of deposits which are not in compliance with Chapter V of the Act is not applicable. However the Company has taken secured as well as unsecured Loans from Banks which are considered as exempt deposits under Sub-clause (iii) of Clause (c) under Sub-rule 1 of Rule 2 of The Companies (Acceptance of Deposits), Rules, 2014

Further the Company has accepted advances from Customers which are considered as exempt deposits under Sub-clause (xii) (a) of Clause (c) under Sub-rule 1 of Rule 2 of The Companies (Acceptance of Deposits), Rules, 2014.

## **7. Share Capital Structure**

### *Authorised share Capital*

During the year under review, the Authorised Share capital remained the same with Rs. 12,00,00,000/- divided into 1,20,00,000 Equity Shares of Rs.10/- each.

### *Paid-up Share Capital*

## CHEMTECH INDUSTRIAL VALVES LIMITED

The paid-up Equity Share Capital as at March 31, 2022 stood at Rs. 11,48,73,330/- divided into 1,14,87,333 Equity Shares of Rs.10/- each fully paid up.

During the year under review, the Company has not issued any shares with differential voting rights nor has granted any stock options or sweat equity or warrants.

As on March 31, 2022, none of the Directors of the Company held instruments convertible into Equity Shares of the Company.

### **8. Material Changes and Commitments affecting Financial Position between the end of the Financial year and date of the report**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this report.

### **9. Subsidiary/Joint Ventures/Associate Company**

Your Company does not have any Subsidiary, Joint venture or any Associate Company.

### **10. Annual Return**

The copy of Annual Return as required under Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of Companies (Management and Administration) Rules, 2014, in Form MGT-7 shall be made available on Company's website <http://www.chemtechvalves.com/investor-relations.htm> for your kind perusal and information.

### **11. Particulars of Loans, Guarantees and Investments**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in Notes to the Financial Statements forming part of Annual Report.

### **12. Related Party Transactions**

All related party transactions that were entered into during the Financial Year 2021-2022 were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee for approval and also before the Board for its noting and approval, is required as per the policy on Materiality of Related Party Transaction of the Company.

Further all the necessary details of transaction as defined under Section 188 of the Companies Act 2013 entered with the related parties as defined under Section 2 (76) of the said Act are attached herewith in Form AOC-2 ([ANNEXURE I](#)) for your kind perusal and information. Members may also refer to Note 36 to the financial statement which sets out related party disclosures pursuant to IND AS

### **13. Meetings of the Board of Directors**

The Board/Committee meetings are pre-scheduled and a tentative annual calendar of the meetings is circulated to the Directors well in advance to help them plan their schedule and ensure meaningful participation. Only in the case of special and urgent business, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are noted in the subsequent Board meeting.

In certain special circumstances, meetings of the Board are called at a shorter notice to deliberate on business items which require urgent attention of the Board. The Company has complied with secretarial standards issued by the ICSI on Board meetings.

The Board met Ten (10) times during the year. The details of meetings of Board of Directors held during the Financial Year 2021-22 are provided in the Corporate Governance Report that forms part of this Annual Report. The intervening period between two Board meetings did not exceed 120 days, as prescribed by the Companies Act, 2013 read with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **14. Committees of the Board**

The Board of Directors as on 31<sup>st</sup> March, 2022 has the following Committees constituted:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders Relationship Committee.

Details of the Committees of the Board along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report forming the part of Annual report.

### **15. Board of Directors and Key Managerial Personnel**

The Board of Directors of the Company has various Executive and Non-Executive Directors including Independent Directors who have wide and varied experience in different disciplines of corporate functioning.

#### **Rotation of Director**

In pursuance with the provisions of Section 152 of the Act and the Company's Articles of Association, Mr. Puneet Pradeep Badkur, Director of the Company is liable to retire by rotation at the forthcoming Annual General Meeting ("AGM") and being eligible, offers himself for re-appointment.

**CHEMTECH INDUSTRIAL VALVES LIMITED**

The members of the Board in consultation of Nomination & Remuneration Committee recommend to the members of the Company, the re-appointment of Mr. Puneet Pradeep Badkur on the Board.

**Change in Directors and Key Managerial Personnel**

During the period under review, following were the changes in Directors and Key Managerial Personnel:

<b>Sr.No</b>	<b>Date</b>	<b>Name of Directors and Key Managerial Personnel</b>	<b>Changes</b>
<b>1</b>	31.01.2022	Ms. Deepali Gupta	Resigned from the position of Company Secretary & Compliance Officer
<b>2</b>	09.02.2022	Ms. Anjali Nair	Appointed as the Company Secretary & Compliance Officer
<b>3</b>	22.02.2022	Mr. Parimal Mehta	Resigned from the position of Independent Director
<b>4</b>	01.03.2022	Ms. Anjali Nair	Resigned from the position of Company Secretary & Compliance Officer

The Board places on record its sincere and deep appreciation for the services rendered by Ms. Deepali Gupta, Mr. Parimal Mehta and Ms. Anjali Nair during their tenure.

Following were the changes in Directors and Key Managerial Personnel after the year end:

<b>Sr.No</b>	<b>Date</b>	<b>Name of Directors and Key Managerial Personnel</b>	<b>Changes</b>
<b>1.</b>	19.05.2022	Ms. Prachi Kothari	Appointed as the Company Secretary & Compliance Officer
<b>2.</b>	19.05.2022	Mr. Hemant Goyal	Appointed as Additional Non- Executive Independent Director.

Further, the Board recommends the proposal of his appointment for the consideration of the Members of the Company at the forthcoming AGM and same has been mentioned in the Notice convening the AGM. A brief profile of Mr. Hemant Goyal has also been provided therein.

**16. Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 read with Part D of Schedule II to the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees.

The Independent Directors of the Company have held one meeting during the year on January 7, 2022 without the presence of Non-Independent Directors and members of the management to review the performance of Non-Independent Directors and the Board of Directors as a whole.

### **17. Declaration by Independent Directors**

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) SEBI (LODR) Regulations, 2015.

Further, in terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies

(Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs (IICA).

### **18. Familiarization Program for Independent Directors**

All new Independent Directors inducted into the Board attended the orientation program. The Company has conducted programs to familiarize Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of industry in which the Company works and other allied matters.

The Independent Directors were highly satisfied with the functioning of the Board and its various Committees and the high level of commitment and engagement.

### **19. Policy on Director's Appointment and Remuneration:**

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to Executive and Non-Executive Directors (by way of sitting fees and commission), Key Managerial Personnel, Senior Management and other employees.

The policy also provides the criteria for determining qualifications, positive attributes and Independence of Director and criteria for appointment of Key Managerial Personnel / Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors while making selection of the candidates.

The current policy is to have optimum combination of Executive, Non-Executive and Independent Directors to maintain the independence of the Board, and separate its functions of governance and management. As of March 31, 2022, the Board had Five (5) members, three (3) of whom are executive directors and two (2) Independent Directors including One Woman Director. The details of Board and committee composition, tenure of

## CHEMTECH INDUSTRIAL VALVES LIMITED

directors, other details are available in the Corporate Governance Report that forms part of this Annual Report. The policy of the Company on Director's appointment and remuneration, as required under section 178 of the Companies Act, 2013 is also available on the website of the Company [www.chemtechvalves.com](http://www.chemtechvalves.com)

### **20. Directors' Responsibility Statement**

In accordance with the provision of Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- a) In the preparation of the annual accounts for the year ended March 31, 2022,, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year 2021-2022 and of the Profit & Loss of the Company for the period;
- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) They have prepared the annual accounts on a going concern basis;
- e) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- d) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.

### **21. Future Outlook:**

The COVID-19 pandemic is a worldwide crisis and has meant that the economies will have to operate alongside the disease, now as the attention has started shifting from lockdown to safe reopening. Accordingly, Company is taking effective steps to improve operational efficiency. India's stable macroeconomic environment and strong growth outlook stand out relative to other emerging markets. With India's ever-growing requirements and addition planned by the Government through various initiatives, there exists substantial opportunity for future growth as the Company's products are geared up for the requirements. However, trade tensions & COVID-19 Pandemic among major economies impacted global growth prospects and has larger concerns on slowing down of world trade. The uncertainties associated with the pandemic COVID-19 may have adverse impact on the demand and supply chain in the short-term and the Company is working to minimize the impact of such aberrations to sustain the operations and identify new opportunities to grow. Accordingly, the company is executing the strategies to mitigate the impact of slowdown of trade.

## **22. Particulars of Employees and Remuneration to Managerial Personnel**

In pursuance to Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details as required are provided in this Board's report and marked as **(ANNEXURE II)**.

During the Financial Year 2021-22, no employee was in receipt of remuneration exceeding the limits as stated in Rule (5) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Therefore, no disclosures of details as prescribed in Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are made in **ANNEXURE II** attached to the Board report.

## **23. Corporate Social Responsibility (CSR)**

The Company doesn't fall under the ambit of Section 135 (1) read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, hence, Corporate Social Responsibility policy is not applicable to the Company.

## **24. Vigil Mechanism**

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of Listing Regulations, the Board of Directors of the Company has framed the Whistle Blower Policy for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports etc. The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee. No person has been denied access to the Chairman of the Audit Committee.

During the Financial Year 2021-22, no complaints were received of any sort from any Directors and employee of the Company. Whistle Blower Policy is disclosed on the website of the Company <http://www.chemtechvalves.com/investor-relations4.htm>

## **25. Internal Financial Control and its Adequacy**

The Company has in place adequate internal financial controls with reference to financial statements. The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud, error reporting mechanisms, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems.

## 26. Risk Management

The Company has implemented an integrated risk management approach through which it reviews and assesses significant risks on a regular basis to help ensure that there is a robust system of risk controls and mitigation in place. Senior management periodically reviews this risk management framework to keep updated and address the emerging challenges. Major risks identified for the Company by the management are Currency fluctuation, Compliances of various applicable Laws, Regulatory changes, Manufacturing & Supply, Litigation, Technological Changes.

## 27. Audit report and Auditors

### Audit reports

- The Auditor's report for Financial Year ending on 31<sup>st</sup> March, 2022 does not contain any qualification, reservation or adverse remark. The Auditor's report is enclosed with financial statements in this Annual report.
- The Secretarial Audit report for financial year ending on 31<sup>st</sup> March, 2022 does not contain any qualification, reservation or adverse remark. The Secretarial report is enclosed as **ANNEXURE III** to the Board's report.
- As required by Listing Regulations, the auditor's certificate on corporate governance is enclosed and forms the part of Corporate Governance Report. The auditor's certificate for financial year ending on 31<sup>st</sup> March, 2022 does not contain any qualification, reservation or adverse remark except as stated in the report.

### Statutory Auditors

M/s. Raju & Prasad, Chartered Accountants, (Firm Registration No. 003475S), having office at 511, The Corporate Centre, Nirmal Lifestyle Mall, LBS Marg, Mulund (W), Mumbai -400 080, were appointed as the Statutory Auditors of the Company for a period of five consecutive years in the Annual General Meeting of the members held on 29<sup>th</sup> September, 2017 to hold office from the conclusion of the 21<sup>st</sup> AGM of the Company till the conclusion of 26<sup>th</sup> AGM of the Company at a remuneration as mutually agreed upon by the Board of Directors and the Statutory Auditors.

Accordingly, M/s. Raju & Prasad, Chartered Accountants, will cease to be the Statutory Auditor of the Company effective from the conclusion of the ensuing AGM. The Board of Directors at their meeting held on 19<sup>th</sup> May, 2022 have considered and recommended the re-appointment of M/s. Raju & Prasad, Chartered Accountants, as the Statutory Auditors of the Company for a consecutive period of five 5 years from the conclusion of the ensuing AGM on the basis of recommendation of the Audit Committee.



## Secretarial Auditors

M/s. Pimple & Associates, Practicing Company Secretary is appointed as secretarial auditor of the Company for fiscal 2022, as required under section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit Report is annexed as **Annexure III** and forms an integral part of this Report. The secretarial auditor has not expressed any qualifications in their Secretarial Audit Report for the year under review. Pursuant to regulation 24A of the Listing Regulations read with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019, the Annual Secretarial Compliance Report forms part of this Report and is uploaded on the website of the Company i.e. <http://www.chemtechvalves.com/investor-relations7.htm>

The Board of Directors at their meeting held on 19<sup>th</sup> May, 2022 has appointed M/s. Pimple & Associates, Practicing Company Secretary, as the Secretarial Auditor of the Company.

## Cost Auditors

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of section 148(1) of Companies Act, 2013 are not applicable for the business activities carried out by the Company.

## Reporting of frauds by auditors

During the year under review, the Statutory auditors have not reported to the Audit Committee and/ or Board, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

## 28. Secretarial Standards

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board and General Meetings of the Company.

## 29. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

- (A) Conservation of energy-
  - (i) The steps taken or impact on conservation of energy- N.A
  - (ii) The steps taken by the Company for utilising alternate sources of energy: N.A
  - (iii) The capital investment on energy conservation equipments: N.A

**CHEMTECH INDUSTRIAL VALVES LIMITED**

- (B) Technology absorption-
- (i) The efforts made towards technology absorption: None
  - (ii) The benefits derived like product improvement, cost reduction, product development or import Substitution: None
  - (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):
    - (a) The details of technology imported: None
    - (b) The year of import: N.A
    - (c) Whether the technology been fully absorbed: N.A
    - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A
  - (iv) The expenditure incurred on Research and Development: Nil
- (C) Foreign exchange earnings and Outgo-

<b>Foreign Exchange Earnings</b>	<b>Rs. 45,78,700/-</b>
<b>Foreign Exchange Outgo</b>	<b>NIL</b>

### **30. Corporate Insolvency Resolution Process Initiated under the Insolvency and Bankruptcy Code, 2016 (IBC)**

No such process initiated during the period under review under the Insolvency and Bankruptcy Code, 2016 (IBC)

### **31. Failure to Implement any Corporate Action**

No corporate action took place during Financial Year 2021-22 and reporting for the same with the concerned department has been completed within specified time limit.

### **32. Corporate Governance**

Our corporate governance practices are a reflection of our value system encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times. We also endeavor to enhance long-term shareholder value and respect minority rights in all our business decisions.

Pursuant to Regulation 34(3) read with Schedule V of the Listing Regulations, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Annual Report.

### **33. Management Discussion and Analysis Report**

The Management Discussion and Analysis Report on the operations of the Company, as required under the SEBI Listing Regulations is provided in a separate section and forms an integral part of this Report.

### **34. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013**

In order to comply with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has formulated and implemented a policy on prevention, prohibition and redressal of complaints related to sexual harassment of women at the workplace.

All women employees whether permanent, temporary or contractual are covered under the above policy. An Internal Complaint Committee (ICC) has been set up in compliance with the said Act. During the year under review, no complaints were reported to the Board.

### **35. Significant and material orders passed by the Regulators or Courts**

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

### **36. Human Resources and Industrial Relations**

The Company takes pride in the commitment, competence and dedication of its employees in all areas of the business. The Company has a structured induction process at all locations and management development programs to upgrade skills of managers. Objective appraisal systems based on key result areas (KRAs) are in place for senior management staff.

Your Company believes in the potential of people to go beyond and be the game-changing force for business transformation and success. This potential is harnessed by fostering an open and inclusive work culture that enables breakthrough performance and comprehensive development of employees through the three pillars of Leading Self, Leading Teams and Leading Business.

### **37. Health, Safety and Environment Protection**

Company's Health and Safety Policy commits to comply with applicable legal and other requirements connected with occupational Health, Safety and Environment matters and provide a healthy and safe work environment to all employees of the Company.

### **38. Appreciation and Acknowledgement**

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The Board places on record its appreciation for the support and co-operation, your Company has been receiving from its Suppliers, Retailers, Dealers & Distributors and others associated with the Company. The Directors also take this opportunity to thank all Clients, Vendors, Banks, Government and Regulatory Authorities for their continued support.

**CHEMTECH INDUSTRIAL VALVES LIMITED****Registered office:**

105 Hiranandani Indl  
Estate, Opp. Kanjur Marg  
Railway Station, Mumbai-  
400078

Place: Mumbai

Date: 18<sup>th</sup> July, 2022

**For and on behalf of the Board of Director**

Sd/-

Puneet Pradeep Badkur  
Chief Financial Officer  
DIN: 07803209

Sd/-

Harsh Pradeep Badkur  
Chairman & Managing Director  
DIN: 00676715

## ANNEXURE I

## Form AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies(Accounts) Rules, 2014.

**Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.**

**1. Details of contracts or arrangements or transactions not at Arm's length basis.**

S N	Name(s) of the related party and nature of relationsh ip	Nature of contracts / arrangements/ trans actions	Duration of the contracts / arrangeme nts / transactio ns	Salient terms of the contracts or arrangeme nts or transactio ns including the value	Justification for entering into such contracts or arrangeme nts or transactio ns	Date(s) of approv al by the Board	Amount paid as advance s, if any	Date on which the special resoluti on was passed in general meeting as required under first proviso to Section 188
NIL								

**2. Details of contracts or arrangements or transactions at Arm's length basis.**

SN	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts / arrangements / transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	Harsh Badkur (Chairman & Managing Director)	Director Remuneration	For the Financial year 2021-22	6,30,000	26 <sup>th</sup> April, 2022	
2	C.D. Ignatious (Whole Time Director)	Director Remuneration	For the Financial year 2021-22	3,85,000	26 <sup>th</sup> April, 2022	
3	Puneet Badkur (Whole Time Director & CFO)	Director Remuneration	For the Financial year 2021-22	4,20,000	26 <sup>th</sup> April, 2022	
4	Deepali Gupta (Company Secretary & Compliance Officer) resigned w.e.f 01.01.2021	Salary	For the Financial year 2021-22	2,36,691	26 <sup>th</sup> April, 2022	
5	Jenny Ignatious (Relative of KMP)	Salary	For the Financial year 2021-22	1,75,000	26 <sup>th</sup> April, 2022	
6	Namrata Pradeep Badkur (Relative of KMP)	Salary	For the Financial year 2021-22	2,80,000	26 <sup>th</sup> April, 2022	
7	Neeti Gupta (Relative of KMP)	Salary	For the Financial year 2021-22	3,79,000	26 <sup>th</sup> April, 2022	
8	Orville Ignatious (Relative of the KMP)	Salary	For the Financial year 2021-22	2,80,000	26 <sup>th</sup> April, 2022	
9	Orville Ignatious (Relative of the KMP)	Reimbursement of Credit card	For the Financial year 2021-22	11,760	26 <sup>th</sup> April, 2022	

**Registered office:**

105 Hiranandani Indl  
Estate, Opp. Kanjur Marg  
Railway Station, Mumbai-  
400078

**For and on behalf of the Board of Director**

Place: Mumbai  
Date: 18<sup>th</sup> July, 2022

Sd/-  
Puneet Pradeep Badkur  
Chief Financial Officer  
DIN: 07803209

Sd/-  
Harsh Pradeep Badkur  
Chairman & Managing Director  
DIN: 00676715

**ANNEXURE II****STATEMENT OF DISCLOSURE OF REMUNERATION**

**Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

<b>Sr. No.</b>	<b>Requirements</b>	<b>Disclosure</b>	
<b>1.</b>	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year	Mr. Harsh Badkur (Chairman & Managing Director)	7.2000
		Mr. Ignatious David Inasu Chittatukarakaran (Whole-Time Director)	4.4000
		Mr. Puneet Badkur (CFO & Whole Time Director)	4.8000
<b>2.</b>	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	<b>Name of the Directors</b>	<b>% increase in Remuneration</b>
		Mr. Harsh Pradeep Badkur	24.55 %
		Mr. Ignatious David Inasu Chittatukarakaran	-2.05 %
		Mr. Puneet Badkur (CFO & WTD)	-1.14 %
		Mr. Niranjay Amritlal Choudhary	-
		Mr. Parimal Rameshchandra Mehta (3)	-
		Mr. Manisha Yogesh Lakhani	-
Ms. Deepali Ramsevak Gupta Company Secretary & Compliance Officer (1)	-		
<b>3.</b>	The percentage increase/decrease in the median remuneration of employees in the financial year.	During FY 2021-2022, the percentage decrease in the median remuneration of employees as compared to previous year was approximately 19%	
<b>4.</b>	The number of permanent employees on the rolls of Company.	There were <b>37</b> employees as on 31 <sup>st</sup> March, 2022.	
<b>5.</b>	The Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase	There was no percentile increase (Average) in remuneration for Employees. However, there was a percentile decrease (Average) in the remuneration of the Managerial Key Personnel by 15.73% due to the loss incurred by the Company.	

## CHEMTECH INDUSTRIAL VALVES LIMITED

	in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	
6.	Affirmation that the remuneration is as per the remuneration policy of the company	It is affirmed that the remuneration paid is as per the Nomination Remuneration of the Company.

(1) Ms. Deepali Gupta resigned from the post of Company Secretary & Compliance Officer w.e.f. 31<sup>st</sup> January, 2022.

(2) Ms. Anjali Nair was appointed as the Company Secretary & Compliance Officer w.e.f. 09<sup>th</sup> February, 2022

(3) Mr. Parimal Mehta resigned from the post of Independent Director w.e.f. 22<sup>nd</sup> February, 2022

(4) Managerial Personnel includes Managing Director and Whole Time Directors of the Company.

**Registered office:**

105 Hiranandani Indl  
Estate, Opp. Kanjur Marg  
Railway Station, Mumbai-  
400078

**For and on behalf of the Board of Director**

Sd/-

Puneet Pradeep Badkur  
Chief Financial Officer  
DIN: 07803209

Sd/-

Harsh Pradeep Badkur  
Chairman & Managing Director  
DIN: 00676715

Place: Mumbai

Date: 18<sup>th</sup> July, 2022



**Form No. MR-3**

Secretarial Audit Report  
for the Financial Year Ended 31<sup>st</sup> March, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
**Chemtech Industrial Valves Limited,**  
105, Hiranandani Indl. Estate,  
Opp. Kanjur Marg Rly Station,  
Mumbai-400078

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Chemtech Industrial Valves Limited (CIN - L29299MH1997PLC105108)** (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts I statutory compliance and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2021 (hereinafter called "period under review") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (during the period under review not applicable to the Company);
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

**CHEMTECH INDUSTRIAL VALVES LIMITED**

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

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; (during the period under review not applicable to the Company);

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (during the period under review not applicable to the Company);

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (during the period under review not applicable to the Company);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (during the period under review not applicable to the Company);

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

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (during the period under review not applicable to the Company); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (during the period under review not applicable to the Company);

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

**CHEMTECH INDUSTRIAL VALVES LIMITED**

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

**For Pimple & Associates  
Practicing Company Secretary**

**Rohini Janardan Pimple  
(Proprietor)  
Mem No.: 51452  
COP No.: 21773  
UDIN: A051452D000643551**

**Place: Mumbai  
Date: 18/07/2022**

**Annexure A**

To,  
**Chemtech Industrial Valves Limited,**  
105, Hiranandani Indl. Estate,  
Opp. Kanjur Marg Rly Station,  
Mumbai, MH-400078

Our report of even date is to be read along with this letter.

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

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

3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5) The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6) The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Pimple & Associates**  
**Practicing Company Secretary**

**Rohini Janardan Pimple**  
**(Proprietor)**  
**Mem No.: 51452**  
**COP No.: 21773**  
**UDIN: A051452D000643551**

**Place: Mumbai**  
**Date: 18/07/2022**

## CORPORATE GOVERNANCE REPORT

The Board of Directors of your Company present the Report on Corporate Governance in accordance with Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI LODR”) as amended for the year ended March 31, 2022.

### I. Company’s philosophy on Corporate Governance

Strong corporate governance founded on values is the bedrock of the sustained performance at the Company and fuels the Company’s vision to achieve the respect of stakeholders. The Company’s philosophy on Corporate Governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

Chemtech Industrial Valves Limited has a strong legacy of fair, transparent and ethical governance practices. The Company recognizes that good governance is a continuing exercise and reiterates its commitment to pursue highest standards of Corporate Governance in the overall interest of all its stakeholders. As a corporate citizen, Company’s business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders.

The Company maintains a comprehensive set of compliance policies and procedures which assist us to comply with the law and conduct our business in an honest, ethical and principled way.

The Company not only adheres to the prescribed corporate practices as per SEBI LODR but is constantly striving to adopt emerging best practices worldwide. It is our endeavor to achieve higher standards and provide oversight and guidance to management in strategy implementation and risk management and fulfillment of stated goals and objectives.

### II. Board of Directors:

#### *The Board of Directors:*

The Board of Directors is the apex body constituted by the Shareholders for overseeing the Company’s overall functioning. The Company recognizes that an independent and well-informed Board is essential to enhance governance standards.

The Board at Chemtech Industrial Valves Limited is entrusted with the responsibility of the management and performance of the Company for ensuring appropriate directions with regard to Leadership, Vision, Strategy, Policies, monitoring, supervision, and accountability to all stakeholders.

The Board while discharging its responsibilities ensures that the management adheres

## CHEMTECH INDUSTRIAL VALVES LIMITED

to ethics, transparency and disclosures.

*Committees of the Board:*

The Board has constituted the following Committees viz, Audit Committee, Nomination and Remuneration Committee (NRC) and Stakeholders' Relationship Committee. Each Committee is mandated to operate within a well-defined framework.

**a) Composition of Board:**

The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements. The Board of the Company has an appropriate mix of Executive and Non-Executive Directors composition of the Board represents an optimal combination of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The composition of the Board as on 31<sup>st</sup> March, 2022 is stated below:

Category	Number of Directors
<b>Non-Executive Independent Directors (Including Independent Woman Director)</b>	02*
<b>Executive Promoter Director (Including Chairman of the Company)</b>	03

The composition of the Board as on 31<sup>st</sup> March, 2022 is as under:

S N	Name of the Director	Category	Date of Appointm ent	No. of positions held in Companies other than the Listed Entity			
				Board		Committees	
				Chairm an	Memb er	Chairma n	Membe r
1	Harsh Pradeep Badkur (DIN: 00676715)	Chairman & Managing Director	30/09/201 0	NIL	NIL	NIL	NIL
2	Ignatious David Chittatukarakar an Inasu (DIN: 01750827)	Whole-Time Director	15/01/199 7	NIL	NIL	NIL	NIL
3	Puneet Pradeep Badkur (DIN: 07803209)	CFO & Whole- Time Director	05/05/201 7	NIL	NIL	NIL	NIL
4	Niranjay Amritlal Choudhary (DIN: 01891472)	Non- Executive & Independent Director	08/08/201 3	NIL	NIL	NIL	NIL
5	Manisha Yogesh Lakhani	Non- Executive &	22/01/202 0	NIL	NIL	NIL	NIL

## CHEMTECH INDUSTRIAL VALVES LIMITED

	(DIN: 08672773)	Independent Women Director					
6	Parimal Rameshchandra Mehta*	Non-Executive & Independent Director	28/09/2018	NA	NA	NA	NA

\* Mr. Parimal Mehta ceased to be a Director on 22<sup>nd</sup> February, 2022 due to other work commitments.

The Company has received a declaration from Mr. Parimal that there are no other material reasons for his resignation other than the those mentioned above.

#### b) Meeting of Board of Directors:

During the Financial Year 2021-22, Ten (10) meetings of Board of Directors were held. The dates of the meeting are stated in the table below. The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director. This ensures timely and informed decisions by the Board. In case of business exigencies, the approval of the Board is taken through circular resolutions. The circular resolutions are noted at the subsequent Board meeting. Minimum four prescheduled meeting of Board are held every year (one meeting in every calendar quarter).

Hence the maximum gap between any two consecutive meetings shall not be less than one hundred and twenty days, as stipulated under Section 173(1) of the Act, and Regulation 17(2) of the Listing Regulations and the Secretarial Standards issued by the Institute of Company Secretaries of India is duly complied.

Details of dates of Board Meeting and attendance of each Director at the Meeting of the Board of Directors and last Annual General Meeting are stated below:

SN	Date of Board Meeting	Name of the Directors on the Board of the Company					
		Harsh Badkur	Ignatious David	Puneet Badkur	Niranjay Choudhary	Parimal Mehta	Manisha Lakhani
1	26 <sup>th</sup> April, 2021	✓	✓	✓	✓	A	✓
2	29 <sup>th</sup> May, 2021	✓	✓	✓	✓	✓	✓
3	22 <sup>nd</sup> June, 2021	✓	✓	✓	✓	A	✓
4	9 <sup>th</sup> August, 2021	✓	✓	✓	✓	✓	✓
5	25 <sup>th</sup> August, 2021	✓	A	✓	✓	✓	A

## CHEMTECH INDUSTRIAL VALVES LIMITED

6	10 <sup>th</sup> November, 2021	✓	✓	✓	✓	✓	✓
7	23 <sup>rd</sup> December, 2021	✓	A	✓	✓	A	✓
8	07 <sup>th</sup> January, 2022	✓	✓	✓	✓	✓	✓
9	09 <sup>th</sup> February, 2022	✓	✓	✓	✓	✓	✓
10	29 <sup>th</sup> March, 2022	✓	✓	✓	✓	NA <sup>(1)</sup>	✓
<b>No of Board Meetings held</b>		10	10	10	10	10	10
<b>No of Board meeting attended</b>		10	8	10	10	10	9
<b>Attendance in last AGM held on 30<sup>th</sup> Sept, 2021</b>		Yes	Yes	Yes	Yes	A	A
<b>✓ Attended the meeting</b>							
<b>A- Leave of Absence</b>							

1. Mr. Parimal Mehta ceased to be a Director on 22<sup>nd</sup> February, 2022

**c) Disclosure of relationships between directors inter-se**

None of the Directors on the Board of the Company are related to each other except Mr. Harsh Pradeep Badkur and Mr. Puneet Pradeep Badkur

**d) Number of shares and convertible instruments held by Non- Executive Directors**

During the Financial Year 2021-22, none of the Non-Executive Directors of the Company hold any equity shares and convertible instruments of the Company.

**e) Skills/expertise/competence of the Board of Directors**

The Company has identified the following skills/expertise/competence set with reference to its Business and Industry which are available with the Board:

SN	Name of the Director	Skills/Expertise
1	Harsh Pradeep Badkur	Expert in handling Global Business, Leadership, Strategic Planning;
2	Puneet Pradeep Badkur	Expert in negotiations, cracking deals, financial planning;
3	Ignatious David Chittatukarakaran	Technical expertise, looks after Production & Design related aspects;



## CHEMTECH INDUSTRIAL VALVES LIMITED

	Inasu	
4	Niranjay Amritlal Choudhary	Industry Knowledge and experience;
5	Manisha Yogesh Lakhani	Governance, Legal and Regulatory, Leadership

**f) Familiarization Programme for Non-Executive Independent Directors**

The Company has put in place a familiarization programme for its Non-Executive Independent Directors. This programme aims to provide insights of the Company to enable the Independent Directors in understanding the detailed business and also facilitates their active participation in the matters of the Board. The Company familiarizes its Independent Directors with their roles, rights, responsibilities in the Company, nature of the Industry in which the Company operates, business model of the Company etc., through various programmes. The Chairman of the Company have a one to one discussion with the newly appointed Director to familiarize him/her with the Company's operations. Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, the Independent Directors are regularly informed on various matters inter-alia covering the Company's business operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters.

At the time of appointment of a Director, a formal letter of appointment is given which inter alia explains the role, function, duties and responsibilities expected from him as a Director of the Company. The Director is also explained in detail, the Compliance required from him under the Act, the Listing Regulations and other various statutes and an affirmation is obtained. Details of the programmes for familiarisation of Independent Directors with the working of the Company are available on the website of the Company and can be accessed on <http://www.chemtechindustrialvalves.com>

**g) Confirmation of Independent Director by the Board**

The declaration of independence in pursuance to Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations has been received by all the Independent Director appointed on the Board of the Company. In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in the Act and Listing Regulations.

During the year, Mr. Parimal Mehta resigned from the post of Independent Director on 22<sup>nd</sup> February, 2022 before the expiry of his/her tenure.

The Company has received a declaration from Mr. Parimal that there are no other material reasons for his resignation other than those mentioned above.

Further none of the Independent Director serves as an Independent Director in more than seven (7) listed entities.

## **h) Information placed before the Board**

The Company provides the information as set out in Regulation 17(7) read with Part A of Schedule II of the Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective Meetings or by way of presentations and discussions during the Meetings.

### **III. Committees of Board:**

The Board of the Company has duly constituted Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Committees of Board meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Meeting of Committees are placed before the Board for their noting, consideration and approval. During the financial year the Company has three (3) Board Level Committees:

- A) Audit Committee;
- B) Nomination and Remuneration Committee;
- C) Stakeholders' Relationship Committee;

#### **A. Audit Committee**

##### ***Composition***

The Audit Committee is entrusted with the responsibility to supervise the Company's financial reporting process and internal controls. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Act and the provisions of Regulation 18 of the Listing Regulations. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function.

The Audit committee consists of three members and is chaired by an Independent Director. Mr. Niranjay Choudhary. The other members of the Audit Committee include Mr. Harsh Badkur, Managing Director and Mrs. Manisha Lakhani, Independent Director.

##### ***Meeting and Attendance***

During the Financial Year 2021-22 the Audit Committee met five (5) times. The dates of the meetings of Audit Committee and the attendance of the members in the respective meeting are stated in the table below. The maximum gaps between two consecutive meetings were not more than 120 days. The requisite quorum was present at all the Meetings held during the year. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 30<sup>th</sup> September, 2021.

The table below provides the date of the meeting held in the Financial Year 2021-22 and

## CHEMTECH INDUSTRIAL VALVES LIMITED

attendance of the members of the Audit Committee in respective meeting:

SR No	Date of Audit Committee Meeting	Name of the Director & their Designation		
		Mr. Niranjay Choudhary Independent Director	Mr. Harsh Badkur Managing Director	Ms. Manisha Lakhani Independent Director
		Chairman	Members of Committee	
1	29 <sup>th</sup> May, 2021	✓	✓	✓
2	9 <sup>th</sup> August, 2021	✓	✓	✓
3	25 <sup>th</sup> August, 2021	✓	✓	✓
4	10 <sup>th</sup> November, 2021	✓	✓	✓
5	9 <sup>th</sup> February, 2022	✓	✓	✓
<b>No of Meeting held</b>		5	5	5
<b>No of Meeting attended</b>		5	5	5
✓ <b>Attended the meeting</b>				
A <b>Leave of Absence</b>				

### ***Terms of reference***

The terms of reference and scope of Audit Committee includes:

1. Review the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Review with the management, performance of statutory and internal auditors and review of adequacy of the internal control systems;
3. Recommend appointment of Statutory, Internal and Cost Auditors and their remuneration;
4. Discussion with the Auditors on internal control systems and scope of audit, including the observations of the Auditors, adequacy of the internal audit system and major accounting policies;
5. Review quarterly, half-yearly and annual financial statements before submission to the Board of Directors;
6. Review and monitor the auditor's independence and performance, and effective of the audit process;
7. Scrutiny of the inter corporate loans and investments;
8. Valuation of the undertaking or assets of the company, wherever it is necessary;
9. Evaluation of the internal financial controls and risk management systems;
10. Review the functioning of the Whistle Blower Policy mechanism;
11. Discussion with statutory auditors before audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
12. Review statement of significant related party transactions (as defined by the Audit Committee), submitted by management.

## B. Nomination and Remuneration Committee

### **Composition**

The Nomination and Remuneration Committee (“NRC”) comprises of Three Non-Executive Independent Directors. Mr. Niranjay Choudhary, Independent Director, is the Chairman of the NRC. The other members of the NRC include Mrs. Manisha Lakhani, Independent Director.

The NRC was reconstituted during the year as Mr. Parimal Mehta who was a Non-Executive Independent Director has resigned w.e.f. 22<sup>nd</sup> February, 2022, due to which the composition of the NRC was not in compliance with Regulation 19(1). However, as per Regulation 26(6), the company has appointed Mr. Hemant Goyal as an additional Non-Executive Independent Director on 19<sup>th</sup> May, 2022 and the Board recommends the proposal of his appointment for the consideration of the Members of the Company at the forthcoming AGM i.e. within 3 months as stipulated in aforesaid Regulation.

The Composition and quorum of NRC are in accordance with the provisions of Section 178(1) of the Act and Regulation 19 of the Listing Regulations.

### **Meeting and Attendance**

During the Financial Year 2021-22 the NRC met two (2) times. The dates of the meetings of NRC and the attendance of the members in the respective meeting are stated in the table below. The requisite quorum was present at all the Meetings held during the year. The Chairman of the NRC was present at the last Annual General Meeting of the Company held on 30<sup>th</sup> September, 2021.

The table below provides the date of the meeting held in the Financial Year 2021-22 and attendance of the members of the NRC in respective meeting:

SR No	Date of Nomination & Remuneration Committee Meeting	Name of the Director & their Designation		
		Mr. Niranjay Choudhary Independent Director	Ms. Manisha Lakhani Independent Director	Mr. Parimal Mehta* Independent Director
		Chairman	Members of the Committee	
1	25 <sup>th</sup> August, 2021	✓	✓	✓
2	9 <sup>th</sup> Feb, 2022	✓	✓	✓
<b>No of Meeting held</b>		2	2	2
<b>No of Meeting attended</b>		2	2	2
✓ Attended the meeting A Leave of Absence				

\* Mr. Parimal Mehta has resigned w.e.f. 22<sup>nd</sup> February, 2022

### ***Terms of Reference***

The broad terms of reference of the NRC, as approved by the Board, are in compliance with Section 178 of the Act and Regulation 19 of the Listing Regulations, which are as follows.

1. To formulate the criteria for determine qualification, positive attribute and independence of a director and recommend to the Board a policy, relating to the remuneration of the Director, Key managerial Personnel and other employees.;
2. To formulate criteria for the evaluation of the Independent Director and the Board;
3. To devise a policy on Board diversity;
4. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance the criteria laid down, and recommend to the Board their appointment and their removal;
5. To consider and adopt and adhere to the nomination and remuneration policy.

The Company has Nomination and Remuneration Policy, which provides the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees in accordance with the provisions of Section 178 of the Companies Act, 2013.

During the Financial Year 2021-2022, the Company has not paid any remuneration or sitting fees to the Independent Directors appointed on the Board of the Company.

### **C. Stakeholders Relationship Committee**

#### ***Composition***

The Stakeholder Relationship Committee ("SRC") consists of the three Directors where majority being the Non-Executive Independent Director. The Committee is chaired by Mr. Niranjay Choudhary, Independent Director of the Company. The other member comprise of Mr. Puneet Badkur, Chief Finance Officer & Whole Time Director

The NRC was reconstituted during the year as Mr. Parimal Mehta who was a Non-Executive Independent Director has resigned w.e.f. 22nd February, 2022, due to which the composition of the SRC was not in compliance with Regulation 20. However, as per Regulation 26(6), the company has appointed Mr. Hemant Goyal as an additional Non-Executive Independent Director on 19th May, 2022 and the Board recommends the proposal of his appointment for the consideration of the Members of the Company at the forthcoming AGM i.e. within 3 months as stipulated in aforesaid Regulation.

The Composition of Stakeholder Relationship Committee is in accordance with the provisions of Section 178(1) of the Act and Regulation 20 of the Listing Regulations.

#### ***Meeting and Attendance:***

During the year one (1) meeting of Stakeholder Relationship Committee was held in

## CHEMTECH INDUSTRIAL VALVES LIMITED

compliance with the requirement of Section 178(1) of the Act and Regulation 20 of the Listing Regulations. The requisite quorum was present at the Meeting held during the year. The Chairman of the Stakeholder Relationship Committee was present at the last Annual General Meeting of the Company held on 30th September, 2021.

Date of the meeting and the attendance of the members in the meeting are highlighted in the table below:

SR No	Date of Stakeholder Relationship Committee Meeting	Name of the Director & their Designation		
		Mr. Niranjay Choudhary Independent Director	Mr. Puneet Badkur CFO & WTD	Mr. Parimal Mehta* Independent Director
		Chairman	Members of the Committee	
1	25 <sup>th</sup> August, 2021	✓	✓	✓
<b>No of Meeting held</b>		1	1	1
<b>No of Meeting attended</b>		1	1	1
✓ <b>Attended the meeting</b> A <b>Leave of Absence</b>				

The Company Secretary & Compliance Officer of the Company attend to resolve all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. The Minutes of the Meeting of Stakeholders Relationship Committee are circulated to the Board and noted by the Board of Directors.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

The committee specifically monitors expeditious redressal of Shareholders & Investor Complaints received from Stock Exchanges, SEBI, ROC, etc. relating to transfer/transmission of shares, non- receipt of Dividends, non- receipt of annual reports, dematerialization of shares and other investor related matter. The Committee also monitors transfer and transmission of shares and split and consolidation of share certificates, if any.

#### ***Details of Shareholders' Complaints Received, Solved and Pending Share Transfers***

No complaints were received during the year ended 31<sup>st</sup> March, 2022. and hence no complaints remained outstanding as on 31<sup>st</sup> March, 2022. The number of pending share transfers and pending requests for dematerialization as on 31<sup>st</sup> March, 2022 were NIL. Shareholders'/Investors' complaints and other correspondence are normally attended to within 7 (seven) working days except those which are constrained by disputes or legal

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impediments.

#### IV. Information on General Body Meetings:

##### ***Details of Last Three Annual General Meetings Held***

The last three Annual General Meeting of the Company were held within the Statutory Time period and the details of the same provided hereunder:

Financial year	Date and Time	Venue	Details of Special resolution passed
2020-2021	25 <sup>th</sup> AGM, 30 <sup>th</sup> September, 2021 at 11:00 AM IST	At the registered office of the Company, Kanjur Marg	None
2019-2020	24 <sup>th</sup> AGM: September 29, 2020 at 03.00 PM IST	Held through Video conferencing / other Audio visual means	1.Approval of remuneration to Mr.Harsh Badkur, Managing Director for the remaining period of his present tenure; 2.Approval of remuneration to Mr.Ignatious David, Whole Time Director for the remaining period of his present tenure; 3. Appointment of Mr. Puneet Badkur as the Whole Time Director on the Board of the Company.
2018-2019	23 <sup>rd</sup> AGM: September 20, 2019 at 11.00 AM IST	At the registered office of the Company, Kanjur Marg	None

##### ***Postal Ballot***

During the year under review, No postal ballot was conducted.

#### V. Means of Communication:

1. The Un-audited quarterly/ half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the Listing Regulations.
2. The approved financial results are forthwith sent to the Stock Exchanges and are published in Business Standard (English newspaper) and Pratahkal (local language Marathi newspaper), within forty-eight hours of approval thereof.
3. The Company's financial results are displayed on the Company's [www.chemtechvalves.com](http://www.chemtechvalves.com).

## CHEMTECH INDUSTRIAL VALVES LIMITED

4. The presentation made to the institutional investors or/ and analysts, if any are also posted on the Company's website. During the Financial Year 2021-22 no presentation was made to institutional investors or analyst or any other enterprise.
5. The Annual Report containing inter-alia the Audited Standalone Financial Statements, Auditors' Report thereon, Directors Report, Corporate Governance Report and Management Discussion and Analysis report is circulated to the Members and others entitled thereto. The Annual Report is also available on the website of the Company and on the website of the Stock Exchanges where the Company's shares are listed.
6. Management Discussion and Analysis report forms part of the Annual Report.
7. The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchange viz. BSE Limited is filed electronically. The Company has complied with filing submissions through BSE's BSE Listing Centre.
8. A separate dedicated section under "Investors Relation", on the Company's website gives information on unclaimed dividends, shareholding pattern, quarterly/half yearly results and other relevant information of interest to the investors/public.
9. The Company has designated the e-mail id: [inverstor@chemtechvalves.com](mailto:inverstor@chemtechvalves.com) exclusively for investor relation, and the same is prominently displayed on the Company's website <http://www.chemtechvalves.com/investor-relations5.htm>

### VI. General Shareholders Information:

#### a. Shareholder Information

<b>Scrip ID on BOLT system</b>	<b>CHEMTECH</b>
<b>ISIN No.</b>	INE212P01011
<b>Address of Correspondence</b>	105, Hiranandani Ind. Estate, Opp. Kanjurmarg Railway Station, Mumbai – 400078 Telephone No. +91-2225839500 / 8220 Email: <a href="mailto:investors@chemtechvalves.com">investors@chemtechvalves.com</a> Website: <a href="http://www.chemtechvalves.com">www.chemtechvalves.com</a>
<b>Plant Location</b>	Chemtech Industrial Valves Ltd Survey No.37, Kondala road, Village Vadavali, Kudus, Taluka Wada, Dist. Palghar – 421312



## CHEMTECH INDUSTRIAL VALVES LIMITED

<b>Listing on Stock Exchange Code</b>	Bombay Stock Exchange (BSE) Limited Listing Code: 537326
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**b. Annual General Meeting for the Financial Year 2021-2022**

<b>Day and Date</b>	<b>Tuesday, 16<sup>th</sup> August, 2022</b>
<b>Time</b>	11:00 A.M.
<b>Mode</b>	Physical
<b>Book Closure Date For AGM</b>	5 <sup>th</sup> August, 2022
<b>Financial Year</b>	2021-2022

**c. Tentative Calendar for the financial year ending March 31<sup>st</sup> March, 2022**

The below stated table highlights the tentative dates for the meeting of the Board of Directors in which the financial results (unaudited and audited, as the case may be) shall be considered and approval.

<b>Sr No.</b>	<b>Particulars of Quarter</b>	<b>Tentative Dates*</b>
<b>1</b>	First Quarter Result	2 <sup>nd</sup> week of August, 2022
<b>2</b>	Second Quarter & Half Yearly Results	2 <sup>nd</sup> week of October, 2022
<b>3</b>	Third Quarter & Nine Months Ended Results	2 <sup>nd</sup> Week of February, 2023
<b>4</b>	Fourth Quarter & Annual Results	2 <sup>nd</sup> Week of May, 2023

\*or such other dates as may be allowed by SEBI/MCA

**d. Dividend payment date**

During the Financial Year 2021-22, the Company has incurred losses and thus the Board of Directors of the Company, after considering holistically the relevant circumstances, has decided that it would be prudent, not to recommend any Dividend. Hence the disclosure of dividend payment date is not mentioned in this report.

**e. Details of the Stock Exchange**

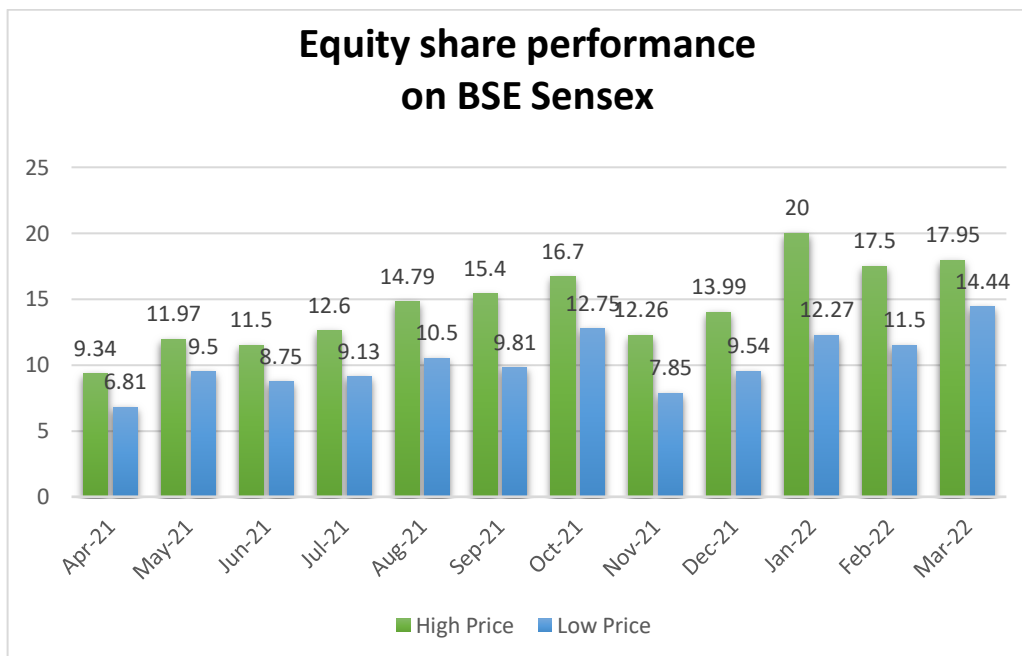
The shares of the Company are listed on Bombay Stock Exchange having its office at BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. During the Financial Year 2021-22, the Company has duly paid the annual listing fees to the stock exchange.

**f. Market price data**

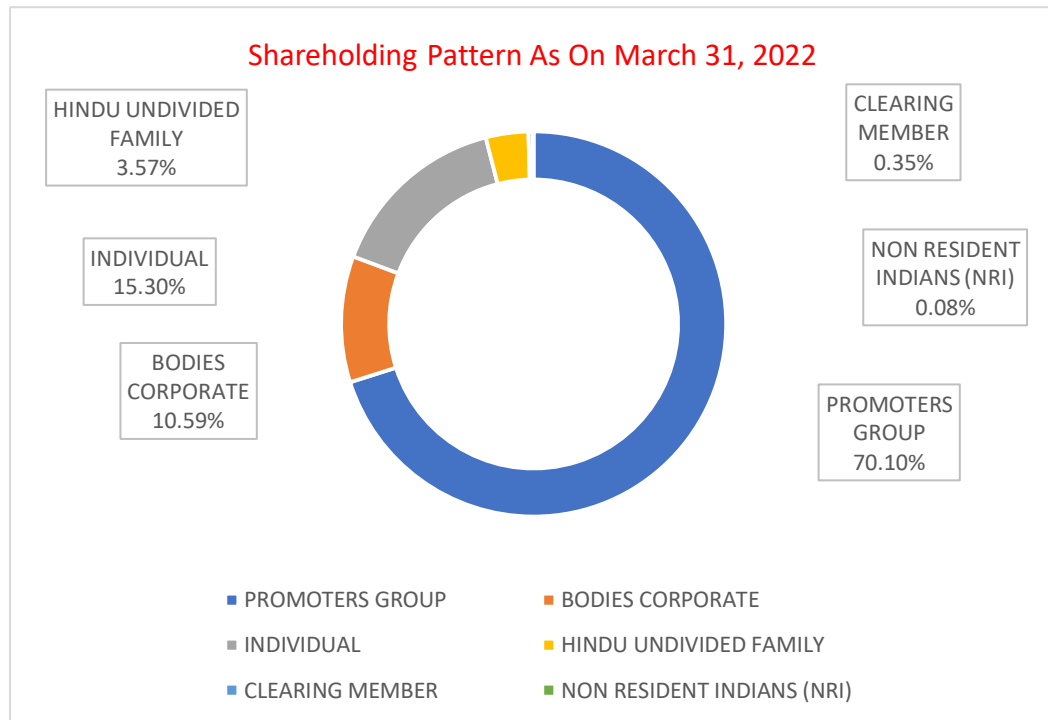
Monthly high and low quotation of shares traded on BSE during the Financial Year 2021-22:

## CHEMTECH INDUSTRIAL VALVES LIMITED

Month	High Price	Low Price
April-2021	9.34	6.81
May-2021	11.97	9.50
June-2021	11.50	8.75
July-2021	12.60	9.13
August-2021	14.79	10.50
September-2021	15.40	9.81
October-2021	16.70	12.75
November-2021	12.26	7.85
December-2021	13.99	9.54
January-2022	20.00	12.27
February-2022	17.50	11.50
March-2022	17.95	14.44

Categories of equity shareholding as on 31<sup>st</sup> March, 2022

Category	Number of Equity shares held	% of Shareholding
Promoters	8052499	70.10
Public	3434834	29.90
Total	11487333	100



**g. Suspension of securities from trading**

During the Financial Year 2021-22, no securities of the Company are suspended from trading

**h. Registrar and Share Transfer Agent & Share Transfer System**

Bigshare Service Private Limited is the Registrar and Share Transfer Agent who is the common agency appointed to provide the services related to shares. The shares are lodged for transfer at the Registrar or respective depository and are processed and returned to shareholders within the stipulated time.

In accordance with the proviso to Regulation 40(1) of the Listing Regulations, effective from April 01, 2019, transfers of shares of the Company shall not be processed unless the shares are held in the dematerialized form with a depository. Accordingly, the shares of the Company are entirely in the dematerialized form.

**i. Distribution of Shareholdings as on March 31, 2022**

Slab of Shareholding	No. of shareholders	% of shareholders	Total Shares	% of amount
Upto 500	442	60.4651	56692	0.4935
501-1000	57	7.7975	48272	0.4202
1001-2000	46	6.2927	71850	0.6255
2001-3000	21	2.8728	51784	0.4508

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<b>3001-4000</b>	21	2.8728	79586	0.6928
<b>4001-5000</b>	9	1.2312	42177	0.3672
<b>5001-10000</b>	78	10.6703	595689	5.1856
<b>10001 and Above</b>	57	7.7975	10541283	91.7644
<b>Total</b>	731	100.00	11487333	100

**j. Dematerialization of Shares and Liquidity**

The Company's shares are compulsorily traded in dematerialized form on BSE. Equity shares of the Company are fully dematerialized (NSDL 47.71% and CDSL 52.29%) as on March 31, 2022. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE212P01011.

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the Company's shares are listed.

**k. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact onequity:**

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence as on 31<sup>st</sup> March, 2022, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

**l. Commodity price risk and Commodity hedging activities**

The Company has adequate risk assessment and minimization system in place including for commodities. The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out.

Therefore, there is no disclosure to offer in terms of SEBI circular. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018.

**VII. Other Disclosures:****a. Related party Disclosures**

The Related party transactions entered during the financial year as defined under the Act and Regulation 23 of the Listing Regulations were on arm's length basis and are in compliance with the requirements of the provisions of Section 188 of the Act.

## CHEMTECH INDUSTRIAL VALVES LIMITED

A statement in summary form of transactions with Related Parties in ordinary course of business and arm's length basis is periodically placed before the Audit committee for review and recommendation to the Board for their approval.

None of the transactions with Related Parties were in conflict with the interest of Company. There were no materially significant transactions with Related Parties during the financial year. Related party transactions have been disclosed under significant accounting policies and notes forming part of the Financial Statements in accordance with "IND AS".

In pursuance of Regulation 23(1) of the Listing Regulations, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is made available on the website of the Company i.e. <http://www.chemtechvalves.com>

### **b. Details of Non-Compliances and penalty imposed**

For the financial year 18-19 and 20-21, the Company was in compliance with all the requirement of Listing Regulations and hence no penalties were imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets.

However, during the financial year 19-20, following were the instances of non-compliances and the penalties levied by SEBI:

- Delay in submission of Statement of Investor Compliant for the quarter ended September 30, 2019 pursuant to Reg. 13(3) of Listing Regulation. The said report was submitted on November 01, 2019 and the default was made good by paying penalty Rs.11,800/- as levied by BSE.
- Delay in submission of Shareholding pattern for the quarter ended September 30, 2019 pursuant to Reg. 31 of Listing Regulations. The said report was submitted on November 02, 2019 and the default was made good by paying penalty Rs.23,600/- as levied by BSE.
- Delay in submission of report pursuant to Regulation 76 of SEBI (Depository and Participants) Regulation, 2018. The said report was submitted on November 01, 2019 and the default was made good.
- Delay in submission of report pursuant to Regulation 40(9) of the Listing Regulation for the half year ended September 30, 2019. The said report was submitted on November 01, 2019 and the default was made good.
- Delay in submission of Corporate Governance report for the quarter ended September 30, 2019 pursuant to Reg. 27(2) of Listing Regulations. The said report was submitted on November 04, 2019 and the default was made good by paying penalty Rs.37,760/- as levied by BSE.
- Delay in submission under Regulation 7(3) of Listing Regulation for the half year ended September 30, 2019. The said report was submitted on November 01, 2019 and the default was made good.
- Delay in submission of voting results of Annual General Meeting held on

## CHEMTECH INDUSTRIAL VALVES LIMITED

September 20, 2019 under Regulation 44 of the Listing Regulation. The said Voting results were submitted on September 23, 2019 at 02.06 p.m. and the default was made good.

- Delay in submission of outcome of Meeting of the Board of Directors held on May 29, 2019 for the year ended 31<sup>st</sup> March, 2019 under Regulation 30 of the Listing Regulation. The said outcome was submitted on May 29, 2019 at 5.55 p.m. (i.e. 30 minutes later form the conclusion of the Meeting of the Board) and the default was made good.

### c. Whistle Blower Policy

In pursuance to Section 177(9) and (10) of the Act, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for Directors and employees of the Company to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors and direct access to the Chairman of the Audit Committee in exceptional cases.

During the Financial Year 2021-22, none of the personnel of the Company have been denied access to the Audit Committee. The Policy of Whistle Blower is displayed on the Company's website viz. [www.chemtechvalves.com](http://www.chemtechvalves.com).

### d. Compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company is in compliance with all the mandatory requirements of SEBI (LODR), 2015, as applicable during the Financial Year 2021-22. Adoption of non-mandatory requirements of the Listing Regulations is being reviewed by the Board from time-to-time.

### e. Web-Link where policy for determining "material subsidiaries" is disclosed <http://www.chemtechvalves.com/investor-relations4.htm>

### f. Web-Link where policy on dealing with related party transactions <http://www.chemtechvalves.com/investor-relations4.htm>

### g. Details of utilization of funds raised through preferential allotment or qualified institutions placement

During the Financial Year 2021-22, the Company has not made any preferential allotment or qualified institutions placement. Therefore the disclosure of utilization of funds raised through preferential allotment or qualified institutions placement under Regulation 32(7A) of the SEBI (LODR), Regulation, 2015 is not applicable.

### h. Certificate from a Company Secretary in practice that none of the Directors on the Board have been debarred or disqualified from being appointed or

**continuing as directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority**

The Company has received Certificate from M/s Pimple & Associates, Practicing Company Secretaries that none of the Directors on the Board have been debarred or disqualified from being appointed or continuing as directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed with this section of Corporate Governance Report as Annexure A.

**i. Where the board had not accepted any recommendation of any committee which is mandatorily required, in the relevant financial year**

During the Financial Year 2021-22, Board of the Company has made necessary discussion with the Committee on the transaction entered by the Company, wherever required.

Accordingly all the recommendation mandatorily required were taken into consideration by the Board of Directors of the Company.

**j. Total fees to the statutory auditor**

Details of fees paid to M/s Raju & Prasad, Chartered Accountants (Firm Registration No. 003475S) for availing the services and all entities in the network of the firm are highlighted in the table stated below:

Particulars	Fees
Statutory Audit fees	130,000
Tax Audit	30,000

**k. Disclosures in relation to the Sexual Harassment of Women**

The disclosures of complaints for the Financial Year 2021-22 in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are highlighted below:

Particulars	Figures
Number of complaints filed during the financial year	0
Number of complaints disposed of during the financial year	0
Number of complaints pending as on end of the financial year	0

**l. Affirmation**

- **Details of Adoption of Discretionary Requirements**

The status of compliances of Discretionary requirements as specified under Regulation 27(1) of the SEBI (LODR) Regulation, 2015 is highlighted below

### ***The Board***

The requirement of maintenance of the Chairman's office by the Non-Executive Director is not applicable to the Company as the office of Chairman is held by Mr. Harsh Badkur, Executive Director on the Board of the Company.

### ***Shareholder Rights***

The Company till date has not adopted the practice of sending half-yearly declaration of financial performance to shareholders of the Company. Further, quarterly results (audited and unaudited) as approved by the Board of the Directors are disseminated to BSE and updated on the website of the Company for the perusal of the shareholders.

### ***Reporting of Internal Auditor***

In accordance to section 138 of the Act, Internal Auditor is appointed by the Company to look into the internal control system and reporting of the same is made to the Audit Committee. Quarterly internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action, if any.

- **Non-compliance of any requirement of corporate governance report, if any**

For the Financial Year 2021-2022, the Company is in compliance of requirement of Corporate Governance report as specified under Schedule V of the Listing Regulations and the necessary disclosures are made in this report.

- **Disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2) of Listing Regulations**

The Company is in compliance with the mandatory requirements of corporate governance under the Listing Regulations. The Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and sub regulation (2) of Regulation 46 of the Listing Regulations.

### **Declarations**

#### **Chief Executive Officer (CEO) and Chief Financial Officer (CFO) certification**

As required by Listing Regulations, the CEO and CFO certification on the Financial Statements, the Cash Flow Statement and the Internal Control Systems for financial reporting for FY 2021 – 22 is annexed to this Report.



**Disclosure of Accounting Treatment**

In the preparation of the financial statements, the Company has followed Ind AS referred to in Section 133 of the Act. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

**Compliance with the Code of Conduct and Business Ethics**

In pursuance of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the members of Board and Senior Management Personnel of have affirmed compliance with Code of Conduct of Chemtech Industrial Valves Limited for the year ended 31<sup>st</sup> March, 2022.

**Registered office:**

105 Hiranandani Indl  
Estate, Opp. Kanjur Marg  
Railway Station, Mumbai-  
400078

**For and on behalf of the Board of Director**

Place: Mumbai  
Date: 18<sup>th</sup> July, 2022

Sd/-	Sd/-
Puneet Pradeep Badkur	Harsh Pradeep Badkur
Chief Financial Officer	Chairman & Managing Director
DIN: 07803209	DIN: 00676715

**CFO COMPLIANCE CERTIFICATE**

To,  
The Board of Directors,  
Chemtech Industrial Valves Limited,

I the undersigned, in the capacity of Chief Finance Officer of Chemtech Industrial Valves Limited, in compliance of Regulation 17(8) read with Schedule II Part B of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 hereby certify that:

**A.** I have reviewed the Audited Financial Statements and the Cash Flow Statement for the Quarter, Half Year and Year ended 31<sup>st</sup> March, 2022 and that to the best of my knowledge and belief:

(1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

**B.** There are, to the best of my knowledge and belief, no transactions entered into by the Listed Entity during the quarter, half year and year ended 31<sup>st</sup> March, 2022 which is fraudulent, illegal or violative of the listed entity's code of conduct.

**C.** I accept the responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Listed Entity pertaining to financial reporting and I have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.

**D.** I have indicated to the Auditors and the Audit committee:

(1) Significant changes in internal control over financial reporting during the quarter, half year and year ended 31<sup>st</sup> March, 2022;

(2) Significant changes in accounting policies during the quarter, half year and year ended 31<sup>st</sup> March, 2022 and that the same have been disclosed in the notes to the financial statements;

**E.** all Board Members and Senior Management Personnel have affirmed Compliance with Code of Conduct and Ethics for the year ended 31<sup>st</sup> March, 2022.

**For Chemtech Industrial Valves Limited**

Place: Mumbai  
Date: 18<sup>th</sup> July, 2022

Sd/-  
Puneet Pradeep Badkur  
Chief Finance Officer

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To  
The Members,  
**Chemtech Industrial Valves Limited,**  
105, Hiranandani Indl. Estate,  
Opp. Kanjur Marg Rly Station,  
Mumbai-400078

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Chemtech Industrial Valves Limited** having **CIN L29299MH1997PLC105108** and having registered office at 105, Hiranandani Industrial Estate, Opp. Kanjur Marg Railway Station, Mumbai, Maharashtra, 400078 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

SN	Name of Director	DIN	Date of appointment in Company
1	Harsh Pradeep Badkur	00676715	30/09/2010
2	Ignatious David Inasu Chittatukarakaran	01750827	15/01/1997
3	Niranjay Amritlal Choudhary	01891472	08/08/2013
4	Puneet Pradeep Badkur	07803209	05/05/2017
5	Manisha Yogesh Lakhani	08672773	22/01/2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Place: Mumbai**  
**Date: 18/07/2022**

**Sd/-**  
**Name: Rohini Janardan Pimple**  
**Membership No.: 51452**  
**CP No.: 21773**  
**UDIN: A051452D000644077**

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members  
**Chemtech Industrial Valves Limited**

We have examined the compliance of conditions of Corporate Governance by **Chemtech Industrial Valves Limited** having CIN: **L29299MH1997PLC105108**, for the year ended 31<sup>st</sup> March, 2022 stipulated in Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the company for ensuring compliance with the conditions of the Corporate Governance as stipulated in said Clause. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has fully complied with all the mandatory conditions of Corporate Governance as stipulated in Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended on 31<sup>st</sup> March, 2022 except as disclosed in the Corporate Governance Report submitted by the management of the Company which is a part of this Annual Report.

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

This Certificate is being issued at the specific request of the client and we owe no financial or other liability in respect of the same to anyone relying on this Certificate.

**For Raju & Prasad Chartered Accountants**  
**FRN: 003475S**

**Place: Mumbai**  
**Date: 18.07.2022**

**Sd/-**  
**Avinash T Jain**  
**Partner**  
**Mem No. 041689**  
**UDIN: 2204L689ANGIAN9171**

## **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

### **Industry Structure and Development**

Our Company in the business of manufacturing of industrial valves since years together and is exploring the industry. A valve is one such device that is known for regulating, directing or controlling a fluid flow. It opens, closes or partially obstructs different passageways. Technically these are fittings. The modern control valves are regulating pressure and flow downstream as well as operating on well-known automation system. Valves are also of great use in military as well as transport sectors. There are many new Companies coming up the market who show great interest of investing in the valve manufacturing business. Valve suppliers in Asia have their ranks increased. Within the country's flourishing economy, these Companies are able to meet the fast growing demand for industrial valves. The global Valves market size is expected to gain market growth in the forecast period of 2021 to 2025, with a CAGR of 1.3% in the forecast period of 2021 to 2025.

Chemtech Industrial Valves Limited started its operations from manufacturing general-purpose valves. Over the years, the Company has continually gone a step ahead of the needs of emerging markets and developed high value-added products, advancing from manually operated shut-off valves to automated control valves, and from single valves to complex modular products. Our strategy is to be a navigator for our clients as they ideate, plan and execute on their journey.

In addition, the Company works actively on technological development that has less impact on people and the global environment such as engineering methods, development of materials and material procurement. For the development of materials, in particular, we focus on product development.

### **Opportunities & Threat:**

#### **Fully Integrated Manufacturing Facility**

Our manufacturing facility is fully integrated and self-sufficient. The raw materials and consumables are readily available. Further, all other utilities like fuel, power and human resources have posed no hurdle till date. All the equipment required for manufacturing the products are in place.

#### **Experienced Management Team**

The Company is managed by a team of professionals led by Chairman, Mr. Harsh Pradeep Badkur, who has over a decade of experience in this business. We believe our growth strategy in combination with management's demonstrated ability to consistently meet the customers' high expectations for quality and reliability, serves as a foundation for future revenue growth and stable operating profit. The Promoter and Senior Management team of our Company has significant industry experience and has been instrumental in the consistent growth of our Company's performance.

## CHEMTECH INDUSTRIAL VALVES LIMITED

### **Continuous focus on developing innovative products**

For any Company, innovation and technical progress are key factors for its success in the long term. Our Company constantly encourages its people to innovate and develop new products for catering to demands of our customers. We are in constant touch with our clients in order to assess their requirements for increasing their process efficiency. This has helped our Company to become a Solution Provider and not just a manufacturing concern.

### **Strong Customer-Base**

We have long-standing relationships with our customers for whom we have executed repeat orders over an extended period of time, which we believe have been established and are strengthened by the dedicated infrastructure and our ability to meet Clients' requirements for customized products. Our customers include leading steel plants, government companies, engineering companies and EPC contractors.

In order to strengthen our relationship with our customers, we have appointed authorized representatives/ channel partners of the Company at most of our major client/consultant locations for handling day to day activities at their respective location. We also have representatives at various major cities. These representatives channel partners are responsible to generate business from their respective geographical region, liaising with existing customers, solving their queries and providing after sales service to the client. All the activities are taken place in close co- ordination with the client. Necessary technical help is provided to our representatives for conducting business on our behalf.

### **Technical expertise and industry experience**

The promotor and the promotor group are experienced in our line of business. Further we have employed professionals having technical and commercial backgrounds. Our Company feels that the strength of any successful organization lies in both, the experience and guidance of its team leaders and the efficiency and technical capability of the staff.

### **Quality Assurance and Standards**

Our company believes in imbibing stringent quality standards in all our processes and products. Our company has been accredited with ISO 9001-2008 certification. Our company is dedicated towards quality of our products, processes and inputs. We adhere to quality standards as prescribed by our customers, which enable us to maintain our brand image in the market.

### **Segment wise performance**

The Operation of the Company predominantly relates in two business segments i.e. "Manufacturing of Industrial Valves" and "Trading of various items for project sales". Business segments have been identified as separable primary segment in accordance with Indian Accounting Standard 108 "Operating Segments" as prescribed under Companies (Accounting Standards) Rules, 2006, taking into menu the organizational and internal reporting structure as well as evaluation of risks and returns of these segments. The

## CHEMTECH INDUSTRIAL VALVES LIMITED

performances of both segments are well-tuned and the management is confident about achieving better performance for coming financial years.

### Future Outlook

The Indian Economy is unstable but showing signs of revival in near future. The demand for valves is witnessing growth in almost all areas. All core sectors of industry require various types of valves for expansion of capacities, de-bottlenecking or routine maintenance and repairs of plants for which Valves will be very productive.

The COVID-19 pandemic is a worldwide crisis and has meant that the economies will have to operate alongside the disease, now as the attention has started shifting from lockdown to safe reopening. Accordingly, Company is taking effective steps to improve operational efficiency. India's stable macroeconomic environment and strong growth outlook stand out relative to other emerging markets. With India's ever-growing requirements and addition planned by the Government through various initiatives, there exists substantial opportunity for future growth as the Company's products are geared up for the requirements. However, trade tensions & COVID-19 Pandemic among major economies impacted global growth prospects and has larger concerns on slowing down of world trade. The uncertainties associated with the pandemic COVID-19 may have adverse impact on the demand and supply chain in the short-term and the Company is working to minimize the impact of such aberrations to sustain the operations and identify new opportunities to grow. Accordingly, the company is executing the strategies to mitigate the impact of slowdown of trade.

### Internal Control Systems & Their Adequacy

The Company has a sound internal control system commensurate with its size. Internal Audit reports are discussed by the professionals, members of audit committee & suitable corrective actions as suggested are adopted by the Board of Directors of the Company. We have always believed that transparency, systems and controls are important factors in the success and growth of any organization.

### Discussion on financial performance with respect to operational performance

The financial performance is mentioned herein under:

PARTICULARS	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March 2021
Revenue from operation	11,49,37,886	13,91,58,564
Other Income	18,14,562	13,91,341
<b>Total Revenue</b>	<b>11,67,52,448</b>	<b>14,05,49,905</b>
Less: Depreciation	1,01,12,968	98,74,280
Less: Finance Charges	1,36,28,509	1,35,67,188
Less: Other Expenses	21,683,023	1,81,48,054
<b>Profit/(Loss) before Taxation</b>	<b>(60, 38,045)</b>	<b>65,68,025</b>
Less: Provision for Taxation	(4,30,657)	(2,70,616)
<b>Net Profit/(Loss) after taxation</b>	<b>(56,07,388)</b>	<b>68,38,641</b>

**Material Development on Human Resources / Industrial Relations**

The biggest strength of the Company has always been its people. Only with their participation we have managed to achieve a healthy work culture, transparency in working, fair business practice and a passion for efficiency. The Company follows a unique, home grown philosophy of allowing people to set their own targets and give them the freedom to achieve: 'I can'. This philosophy has spread across all our employees and has been a constant source of motivation for our people. Further, to enhance their skills and enrich their experience, the Company provides continuous training. This includes workshops, courses, seminars and visit to the Company's plants. Of late, we have also started in-house conferences for various disciplines. Employees from all our offices are invited to participate. It is a useful forum for sharing experiences, ideas, innovations and developmental work undertaken in their respective work places. From the beginning, we have followed a progressive policy of taking keen interest in the well-being and progress of our people. All of this, we believe, has nurtured a strong sense of belonging among our people. During the year under review, Industrial Relations were cordial.

**Cautionary Statement**

Statement in the Management discussion & analysis describing the Company's objectives, projections, estimates & exceptions may be "forward looking statements" within the meaning of applicable securities laws & regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include economic conditions affecting demand/ supply and price conditions in the domestic & overseas markets in which the Company operates & changes in the Government regulations, tax laws & other statutes & other incidental factors.

**Registered office:**

105 Hiranandani Indl  
Estate, Opp. Kanjur Marg  
Railway Station, Mumbai-  
400078

Place: Mumbai

Date: 18<sup>th</sup> July, 2022

**For and on behalf of the Board of Director**

Sd/-

Puneet Pradeep Badkur

Chief Financial Officer

DIN: 07803209

Sd/-

Harsh Pradeep Badkur

Chairman & Managing Director

DIN: 00676715



## INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF  
CHEMTECH INDUSTRIAL VALVES LIMITED**

### **Report on the Ind AS financial statements**

#### **Opinion**

We have audited the accompanying Ind AS financial statements of **CHEMTECH INDUSTRIAL VALVES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2022, the Statement of Profit and Loss, the Cash Flow Statement, the Statement of Changes in Equity and notes to financial statements including a summary of the significant accounting policies and other explanatory information for the year then ended.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its Profit, changes in equity and its Cash Flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

This section of our auditors' report is intended to describe the matters selected from those communicated with those charged with governance that, in our professional judgment, were of most significance in our audit of the financial statements.

##### **a) Revenue recognition (IND AS 115)**

The application of the new standard on recognition of revenue involves significant judgement and estimates made by the management which includes identification of performance obligations contained in contracts, determination of the most appropriate method for recognition of revenue relating to the identified performance obligations, assessment of transaction price and allocation of the assessed price to the individual performance obligations. Audit procedure involved review of the company's IND AS 115 implementation process and key judgments made by management, evaluation of customer contracts in light of IND AS 115 on sample basis and comparison of the same with management's evaluation and assessment of design and operating effectiveness of internal controls relating to revenue recognition.

Also the Company was granted certificate of entitlement for availing sales tax incentive under package Part-I of the 1993 package scheme of incentive (PSI) of Govt. of Maharashtra by way of deferment of sales Tax liability pertaining to period from 01.09.1999 to 30.04.2006

## CHEMTECH INDUSTRIAL VALVES LIMITED

up to the maximum ceiling of Rs.37,28,000/-. The liability deferred for the period of 10 years from the year of collection of sales tax. As per the term of payment the sales Tax liability of each Financial Year is payable in five equal installments. The same will be paid once order for payment is received by respective authority.

Based on the procedures performed, it is concluded that management's judgments with respect to recognition and measurement of revenue in light of IND AS 115 is appropriate.

### Emphasis of Matter

Attention is drawn to Contingent Liability shown as a foot note to the Annual Financial Results, CKP bank's license is withdrawn by RBI and RBI has declared that Rs.5,00,000/- will be confirm given to depositors, which has been received by the company and adjusted against the current account balance that was held with the bank, the remaining amount will be given to deposit holders and shareholders if reserves are available.

It is still recorded as an asset in financials, which will be reversed as and when confirmation comes from RBI about non-payment to depositors and shareholders.

### Other Matters

The audit of the Financial Statements has been conducted after considering the impact of COVID-19 on the business and appropriate disclosures, wherever applicable, have been made in the Notes annexed to the Financial Statements.

### Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these (Standalone) Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

### Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material

## CHEMTECH INDUSTRIAL VALVES LIMITED

misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional Skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. A) As required by Section 143 (3 the Act,) of we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

## CHEMTECH INDUSTRIAL VALVES LIMITED

- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - refer Notes 34.1 and 34.3 to the Ind AS financial statements.
  - ii. The Company has long term contract but, does not have any derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transfer, to the Investor Education and Protection Fund by the Company during the year ended 31.03.2022.

B) With respect to the matter to be included in the Auditors’ Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For Raju & Prasad Chartered Accountants**  
FRN No. 003475S

**Place: Mumbai**  
**Date: 19.05.2022**

**Sd/-**  
**Avinash T Jain**  
Partner  
**Membership No. 041689**  
**UDIN: 22041689AJGBQD9703**

**ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT**

Referred to in Paragraph 1 under the heading "Report on other legal and regulatory requirements" of our Independent Auditor's Report of even date to the members of **CHEMTECH INDUSTRIAL VALVES LIMITED** On the Ind AS financial statements as of and for the year ended 31.03.2022,

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that

(i)(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.

(b) As explained to us Property, Plant & Equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification.

(c) According to information and explanations given to us and on the basis of our examination of records the title deeds of immovable properties are held in the name of the company.

(ii) The management has conducted the physical verification of inventory at reasonable intervals and no material discrepancies have noticed on physical verification of the inventory as compared to books records.

(iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, the company has not granted loans, guarantees and security, investments, covered u/s 185 and 186 the investment made by the company is in compliance with the provisions of section 186 of the Companies Act, 2013.

(v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

(vi) We have broadly reviewed the accounts and records maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under sub-section (1) of section 148 of the Act, and are of the Opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

## CHEMTECH INDUSTRIAL VALVES LIMITED

(vii) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues, wherever applicable, and any other applicable statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2022 for a period of more than six months from the date on when they become payable except the following:

STATUTES	NATURE OF DUES	AMOUNT (Rs.)	PERIOD	DUE DATE	DATE OF PAYMENT
<i>Sales tax</i>	<i>Deferment Installment</i>	36,22,791	1999-00 to 2004-05.	<i>Annual installments</i>	<i>Outstanding</i>

(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute except as mentioned below:

Sr. No.	Name of Statute	Nature of Dues	Forum where Dispute is pending	Financial Year	Amount in Rs.
1	<i>Central Sales tax</i>	<i>CST</i>	<i>Comm. of sales Tax</i>	<i>2006-07</i>	<i>2,70,979</i>
2	<i>Central Sales tax</i>	<i>CST</i>	<i>Comm. of sales Tax</i>	<i>2009-10</i>	<i>42,59,201</i>
3	<i>Income tax</i>	<i>IT</i>	<i>Income tax officer</i>	<i>2018-19</i>	<i>71,732</i>

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of Loans or borrowing to financial institution and to banks. The Company did not have any outstanding loans or borrowings from financial institution or government and there are no dues to debenture holders during the year.

There are no any transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. The company is not declared willful defaulter by any bank or financial institution or other lender. The term loans were applied for the purpose for which the loans were obtained. The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint venture. The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) The company has not raised moneys by way of initial public offer or further public offer

**CHEMTECH INDUSTRIAL VALVES LIMITED**

including debt instruments during the year. Further the term loan taken during the year was applied for the purpose for which it is raised. The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

(xi) During the course of our examination of the books and records of the company, carried in accordance with auditing standard generally accepted in India, we have neither come across any instance of fraud on the Company by its officers or employees noticed or reported during the course of our audit nor have we been informed of any such instance by the management. No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. The auditor has considered whistle-blower complaints, if any, received during the year by the company.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

(xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

(xiv) All the reports of the Internal Auditors for the period under audit were considered.

(xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.

(xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. The Group has no CIC as part of the Group.

(xvii) The Company has not incurred cash losses in the FY 21-22 and also in FY 20-21.

(xviii) There has not been any resignation of the statutory auditors during the year.

(xix) We have opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

(xx) No amount remaining unspent under section (5) of section 135 of Companies Act.

**CHEMTECH INDUSTRIAL VALVES LIMITED**

(xxi) No qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

**For Raju & Prasad Chartered Accountants**  
FRN No. 003475S

**Place: Mumbai**  
**Date: 19.05.2022**

**Sd/-**

**Avinash T Jain**

Partner

**Membership No. 041689**

**UDIN: 22041689AJGBQD9703**

**ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") of even date on the Standalone Ind AS financial statements of CHEMTECH INDUSTRIAL VALVES LIMITED**

**Opinion**

We have audited the internal financial controls over financial reporting of **CHEMTECH INDUSTRIAL VALVES LIMITED** ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be



## CHEMTECH INDUSTRIAL VALVES LIMITED

prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial

**CHEMTECH INDUSTRIAL VALVES LIMITED**

controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Raju & Prasad Chartered Accountants**  
**FRN No. 003475S**

**Place: Mumbai**  
**Date: 19.05.2022**

**Sd/-**

**Avinash T Jain**

Partner

**Membership No. 041689**

**UDIN: 22041689AJGBQD9703**

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2022**

Particulars	Notes	Balance as at 31 <sup>st</sup> March 2022 (Ind AS)	Balance as at 31 <sup>st</sup> March 2021 (Ind AS)
<b>I ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	2	11,73,16,200.00	12,23,02,500.00
(b) Capital work-in-progress	2	28,66,900.00	25,90,300.00
(c) Investment property			
(d) Goodwill			
(e) Other Intangible assets	2	2,44,300.00	3,63,600.00
(f) Intangible assets under development			
(g) Biological Assets other than bearer plants			
(h) Financial Assets			
i) Investments	3	5,37,800.00	5,37,800.00
ii) Trade receivables	4	2,27,93,000.00	2,19,07,900.00
iii) Loans	5	-	3,37,300.00
iv) Others (to be specified)	6	7,53,400.00	10,37,100.00
(i) Deferred tax assets(net)			-
(j) Other non-current assets	7	7,27,000.00	6,61,300.00
		<b>14,52,38,600.00</b>	<b>14,97,37,800.00</b>
<b>2 Current Assets</b>			
<b>(a) Inventories</b>	8	3,55,76,800.00	2,59,45,900.00
<b>(b) Financial Assets</b>			-
<b>i) Investments</b>			-
<b>ii) Trade receivables</b>	9	2,51,79,400.00	5,15,72,400.00
<b>iii) Cash and cash equivalents</b>	10	2,99,31,800.00	1,58,32,800.00
<b>iv) Bank balances other than (iii) above</b>			-
<b>v) Loans</b>	11	5,37,600.00	11,29,500.00
<b>vi) Others</b>	12	8,13,500.00	5,64,433.00
<b>(c) Current Tax Assets (Net)</b>			-
<b>(d) Other current assets</b>	13	3,08,61,900.00	2,38,78,100.00
		<b>12,29,01,000.00</b>	<b>11,83,58,700.00</b>
<b>Total Assets</b>		<b>26,81,39,600.00</b>	<b>26,80,96,500.00</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
<b>(a) Share capital</b>	14	11,48,73,300.00	11,48,73,300.00
<b>(b) Other equity</b>	15	(2,28,04,500.00)	(1,77,89,500.00)
		<b>9,20,68,800.00</b>	<b>9,70,83,800.00</b>
<b>LIABILITIES</b>			
<b>2 Non-Current Liabilities</b>			

## CHEMTECH INDUSTRIAL VALVES LIMITED

<b>(a) Financial liabilities</b>			
i) Borrowings	16	10,26,96,800.00	10,72,62,100.00
ii) Trade payables	17	2,88,400.00	2,65,200.00
iii) Other financial liabilities			-
<b>(b) Provisions</b>	18	17,23,500.00	15,32,200.00
<b>(c) Deferred tax liabilities (Net)</b>	19	51,78,500.00	60,82,100.00
<b>(d) Other non-current liabilities</b>	20	-	1,05,200.00
		<b>10,98,87,200.00</b>	<b>11,52,46,800.00</b>
<b>3 Current liabilities</b>			
<b>(a) Financial liabilities</b>			
i) Borrowings	21	1,63,41,100.00	-
ii) Trade payables	22	3,77,08,300.00	2,92,57,300.00
iii) Other financial liabilities	23	24,66,800.00	1,69,90,100.00
<b>(b) Other current liabilities</b>	24	96,31,500.00	93,27,200.00
<b>(c) Provisions</b>	25	35,900.00	1,91,300.00
<b>(d) Current tax liabilities(Net)</b>			-
		<b>6,61,83,600.00</b>	<b>5,57,65,900.00</b>
<b>Total Equity and Liabilities</b>		<b>26,81,39,600.00</b>	<b>26,80,96,500.00</b>

As per our report of even date annexed  
Directors  
For Raju & Prasad  
Chartered Accountants  
FRN - 003475S

For and on Behalf of the Board of

Sd/  
Avinash. T. Jain  
Partner

Membership No.: 041689

Place : Mumbai

Date : 19.05.2022

UDIN: 22041689AJGBQD9703

Sd/-  
Harsh P. Badkur  
Chairman &  
Managing Director  
DIN: 00676715

Sd/-  
Puneet P. Badkur  
Wholetime  
Director & CFO  
DIN: 07803209

Sd/-  
C.D. Ignatious  
Wholetime  
Director  
DIN: 01750827

Sd/-  
Prachi Kothari  
Company  
Secretary  
ACS: A68380

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

	Particulars	Notes	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
I.	Revenue from operations	25	11,49,37,886.00	13,91,58,564.00
II.	Other income	26	18,14,562.00	13,91,341.00
III.	<b>Total Revenue (I + II)</b>		<b>11,67,52,448.00</b>	<b>14,05,49,905.00</b>
IV.	<b>Expenses:</b>			
	Cost of materials consumed	27	6,24,94,442.00	6,06,29,593.00
	Purchases of Stock-in-Trade	28		17,29,663.00
	Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	29	(16,16,461.00)	1,83,15,306.00
	Employee benefits expense	30	1,64,88,012.00	1,17,17,796.00
	Other Expenses	31	2,16,83,023.00	1,81,48,054.00
	Finance costs	32	1,36,28,509.00	1,35,67,188.00
	Depreciation and amortization expense	2	1,01,12,968.00	98,74,280.00
	<b>Total expenses</b>		<b>12,27,90,493.00</b>	<b>13,39,81,880.00</b>
V.	<b>Profit/(loss) before exceptional items and tax (I-IV) (III-IV)</b>		<b>(60,38,045.00)</b>	<b>65,68,025.00</b>
VI.	Exceptional Items			
VII.	<b>Profit/(loss) before tax (V-VI)</b>		<b>(60,38,046.00)</b>	<b>65,68,025.00</b>
VIII.	<b>Tax expense:</b>			
	Current tax			
	Short provision for tax			
	Deferred Tax		(4,30,657.00)	(2,70,616.00)
IX.	<b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>(56,07,388.00)</b>	<b>68,38,641.00</b>
X.	Profit/(loss) from discontinued operations			
XI.	Tax expense of discontinued operations			
XII.	Profit/(loss) from Discontinued operations (after tax) (X-XI)			
XIII.	<b>Profit/(loss) for the period (IX+XII)</b>		<b>(56,07,388.00)</b>	<b>68,38,641.00</b>
XIV.	<b>Other Comprehensive Income</b>			
	<b>A (i) Items that will not be reclassified to profit or loss</b>			
	(a) Remeasurement of Defined Benefit scheme			
	(i) Income tax relating to items that will not be reclassified to profit or loss			
	(b) gains and losses from investments in equity instruments designated at fair value through other comprehensive income			
	(i) Income tax relating to items that will not be reclassified to profit or loss			
	<b>Total</b>			
	<b>B (i) Items that will be reclassified to profit or loss</b>			

## CHEMTECH INDUSTRIAL VALVES LIMITED

	(ii) Income tax relating to items that will be reclassified to profit or loss			
	Total			
XV.	Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		(56,07,388.00)	68,38,641.00
XVI.	Earnings per equity share (for continuing operation):	33		
(i)	Basic		(0.49.00)	0.60.00
(ii)	Diluted			
XVII.	Earnings per equity share (for discontinued & continuing operation):			
(i)	Basic		(0.49.00)	0.60.00
(ii)	Diluted			

As per our report of even date annexed  
**Directors**  
**For Raju & Prasad**  
**Chartered Accountants**  
**FRN - 003475S**

For and on Behalf of the Board of

Sd/  
**Avinash. T. Jain**  
**Partner**

Membership No.: 041689  
Place : Mumbai  
Date : 19.05.2022  
UDIN: 22041689AJGBQD9703

Sd/-  
**Harsh P. Badkur**  
**Chairman &**  
**Managing Director**  
DIN: 00676715

Sd/-  
**Puneet P. Badkur**  
**Wholetime**  
**Director & CFO**  
DIN: 07803209

Sd/-  
**C.D. Ignatious**  
**Wholetime**  
**Director**  
DIN: 01750827

Sd/-  
**Prachi Kothari**  
**Company**  
**Secretary**  
ACS: A68380

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

Particulars	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before tax	(60,38,045.00)	65,68,025.00
<u>Adjustments for:</u>		
Depreciation and amortization	1,01,12,968.00	98,74,280.00
Finance costs	1,36,28,509.00	1,35,67,188.00
Provision for Gratuity	35,877.00	1,91,323.00
Profit/ Loss on sale of Machinery	-	12,539.00
Foreign Exchange Fluctuation	-	-
Sundry Balance written off		-
Interest Received	(13,34,536.00)	(7,90,654.00)
Dividend income		-
Loan Processing Fee	1,19,556.00	2,67,523.00
Operating Profit before Working capital changes	1,65,24,329.00	2,96,90,224.00
<u>Adjusted for:</u>		
Inventories	(96,30,884.00)	1,67,22,060.00
Trade receivables	2,55,07,943.00	(2,88,00,128.00)
Long Term Loans & Advances	3,37,270.00	
Other Non-current Assets	2,17,970.00	40,94,250.00
Short-term loans and advances	5,91,896.00	22,28,392.00
Other current assets	(77,97,300.00)	(2,12,13,685.00)
Long Term Provision		
Other Non-current Liability	(1,05,209.00)	
Short Term Provision		
Trade payables	84,74,259.00	31,78,943.00
Other current liabilities	(1,42,19,027.00)	66,37,080.00
Cash Generated from Operations	1,99,01,245.00	1,25,37,135.00
Taxes paid		
Net Cash Generated from Operations	1,99,01,245.00	1,25,37,135.00
<b>B. Cash flow from investing activities</b>		
Purchase of Fixed assets	(52,83,974.00)	(42,39,843.00)
Sale of Fixed assets		1,98,000.00
Interest Received	13,34,536.00	7,90,654.00
Dividend received		
Net cash used in investing activities:	(39,49,438.00)	(32,51,189.00)
<b>C. Cash flow from financing activities</b>		
Proceeds from long-term borrowings (net of repayment)	(45,65,271.00)	2,28,28,653.00
Proceeds from other short-term borrowings	1,63,41,040.00	(1,48,08,750.00)

## CHEMTECH INDUSTRIAL VALVES LIMITED

Finance cost	(1,36,28,505.00)	(1,35,67,188.00)
Net cash used in financing activities	(18,52,740.00)	(55,47,284.00)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	1,40,99,067.00	37,38,662.03
Cash and cash equivalents at the beginning of the year	1,58,32,762.00	1,20,94,099.00
Cash and cash equivalents at the end of the year	2,99,31,829.00	1,58,32,761.00
<b>CLOSING BALANCE OF CASH AND CASH EQUIVALENTS</b>		
(i) Cash in Hand	26,33,223.00	19,59,671.00
(ii) Balances with Banks	2,72,98,603.82	1,38,73,091.00
<b>TOTAL</b>	<b>2,99,31,827.00</b>	<b>1,58,32,762.00</b>

**Notes:**

1) The Cash Flow statement has been prepared under the 'Indirect Method ' as set out in the **Ind AS-7 "Statement of Cash Flow"** and notified in Companies (accounting standards) rules,2006 (as amended )

2) Figure in brackets indicates cash outflow.

3) Previous year figures have been regrouped/rearranged wherever necessary.

As per our report of even date.

**As per our report of even date annexed**

**Directors**

**For Raju & Prasad**

**Chartered Accountants**

**FRN - 003475S**

**For and on Behalf of the Board of**

**Sd/**

**Avinash. T. Jain**

**Partner**

**Membership No.: 041689**

**Place : Mumbai**

**Date : 19.05.2022**

**UDIN: 22041689AJGBQD9703**

**Sd/-**

**Harsh P. Badkur**

**Chairman &  
Managing Director**

**DIN: 00676715**

**Sd/-**

**Puneet P. Badkur**

**Wholetime  
Director & CFO**

**DIN: 07803209**

**Sd/-**

**C.D. Ignatious**

**Wholetime  
Director**

**DIN: 01750827**

**Sd/-**

**Prachi Kothari**

**Company  
Secretary**

**ACS: A68380**



**NOTES ON FINANCIAL STATEMENTS AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022****NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES****i. Basis of Preparation**

Ministry of Corporate affairs notified roadmap to implement Indian accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended thereafter. As per the said roadmap, the Company is required to apply Ind AS starting from financial year beginning on or after April 1, 2016.

For all periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with the Accounting Standards notified under the Section 133 of the Companies Act, 2013 read together with Companies (Accounts) Rules 2014 (Indian GAAP). These financial statements for the year ended March 31, 2017 are the first the Company has prepared in accordance with Ind AS.

**ii. Current versus Non-Current classification**

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**iii. Fair value measurement**

The Company measures financial instruments, such as, Mutual funds at fair value at each balance sheet date.

**iv. Use of Estimates**

- a) The preparation of financial statements in accordance with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities as on the

**CHEMTECH INDUSTRIAL VALVES LIMITED**

date of financial statements, disclosures of contingent liabilities and the reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Any revision to such accounting estimates is recognized in the accounting period in which such revision takes place.

- b) These financial statements have been prepared in accordance with accounting standards prescribed under section 133 of the Companies Act, 2013(the Act), Companies ( Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act.
- c) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in the Schedule – III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current / non-current classification of assets and liabilities.
- d) Accounting policies not specifically referred to otherwise are consistent with the generally accepted accounting principles followed by the Company.
- e) The preparation of financial statements requires estimates and assumption to be made that effect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period .The Difference between the actual and estimate are recognized in the period in which results are known/materialized.

**I. TANGIBLE FIXED ASSETS AND DEPRECIATION**

- a) Tangible Fixed Assets are stated at cost of acquisition or construction except assets which has been revalued, at its revalued amount, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Temporary constructions/alterations are charged off to Profit and Loss Account.
- b) Depreciation has been provided as under:
  - (i) For assets existing on 1st April 2014 the carrying amount will be amortized over the remaining useful lives on straight line method as prescribed in the schedule II of the Companies Act, 2013.
  - (ii) For the assets added after the 1st April 2014:- On straight line method at the useful standard Lives prescribed in Schedule II to the Companies Act, 2013.
  - (iii) On the revalued assets the additional charge of depreciation on account of revaluation is withdrawn from revaluation reserve and credited to the retained surplus/deficit in profit and loss.

- (iv) Depreciation on assets sold during the year is provided on pro-rata basis.

## II. INTANGIBLE ASSETS AND AMORTISATION

- a) Intangible Assets are stated at acquisition of cost, net of accumulated amortization and accumulated impairment losses, if any.
- b) Intangible assets include Cost of software capitalized is amortized over a period of 5 years.

## III. IMPAIRMENT OF ASSETS

Assessment is done at each Balance Sheet date as to whether there is any indication that a tangible asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of asset that generates cash inflows from continuing use that are largely independent of the cash inflow from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made.

Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an assets and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

## IV. BORROWING COST

Borrowing Costs attributable to acquisition and construction of qualifying assets are capitalized as a part of the cost of such assets up to the date when such assets are ready for its intended use.

Other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

## V. INVENTORIES

Raw materials, components, stores and spares, and packing material are valued at lower of cost or net reliable value. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost. Cost of inventories is computed on a weighted-average basis.

Work-in-progress, finished goods and Stock-in-trade are valued at lower of cost or net realizable value. Cost of Finished goods and work-in-progress comprises raw material, direct labour, other direct costs and other related production overheads upto the stage of bringing the inventories to their present location and condition.

## CHEMTECH INDUSTRIAL VALVES LIMITED

Net realizable value is the estimated selling price in the ordinary course of business less estimated cost necessary to make the sales.

### VI. TRANSLATION OF FOREIGN CURRENCY ITEMS

Transactions in foreign currency are recorded at the rate of exchange prevailing on the date of transaction. Foreign currency monetary assets and liabilities are converted in Indian currency at the rate of exchange prevailing at the end of the year. Resultant gain or loss is recognized in the statement of profit and loss for the year.

### VII. REVENUE RECOGNITION

- a) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured.
- b) Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. Amounts disclosed as revenue are inclusive of excise duty and net of returns, rebates, Value added taxes and amounts collected on behalf of third parties.
- c) Interest Income is recognized on a time proportion basis taking into account the amount outstanding and applicable interest rate.
- d) Dividend income on investments is accounted for when the right to receive the payment is established.

### VIII. RETIREMENT AND OTHER EMPLOYEE BENEFITS

#### (a) Defined Contribution Plan

The Company makes defined contribution to Government Employee Provident Fund, which are recognized in the Statement of Profit and Loss on accrual basis. The company has no further obligation beyond its contribution. No figurative disclosures available

#### (b) Defined Benefit Plan

i) The Company's liabilities under Payment of Gratuity Act are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss as income or expenses. Obligation is measured at the present value of estimated future cash flow using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds where the terms of the Government bonds are consistent with the estimated terms of the defined benefit obligation. No figurative disclosures available

ii) **Leave Salary:** Leave Salary for accumulated compensated absences that are expected to be availed or encashed by eligible employees within 12 months from the end of the year are treated as short term employees

benefits, which is provided at the expected cost. No figurative disclosures available.

## IX. TAXATION

Tax expense for the period, comprising Current tax and Deferred Tax are included in the determination of net profit or loss for the period.

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in India.

Deferred Tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets on unabsorbed carry forward losses are recognized only upon definite virtual certainty of future taxable income is available and not otherwise.

Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted and substantively enacted by the Balance Sheet date. At each Balance Sheet date, the company re-assesses unrecognized deferred tax assets, if any.

## X. OPERATING LEASES

**As a Lessee :** Leases, where significant portion of risk and reward of ownership are retained by the Lessor, are classified as Operating Leases and lease rentals thereon are charged to the Statement of Profit and Loss on a straight-line basis over the lease term.

## XI. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares.

## XII. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

- a) **Fair value measurements:** When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted

## CHEMTECH INDUSTRIAL VALVES LIMITED

prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

- b) Useful lives of property, plant and equipment:** Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.
- c) Impairment of financial assets:** the impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgments in making these assumptions and selecting the inputs to the impairment calculations based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.
- d) Impairment of non-financial assets:** The company assesses at each reporting date whether there is an indication that an asset may be impaired. If an indication exists, or when the annual impairment testing of the asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from the other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered as impaired and its written down to its recoverable amount.
- e) Provisions and liabilities:** Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgment to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.
- f) Contingencies:** In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.
- g) Taxes:** Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. The Company has deferred tax asset during the year i.e reversal of deferred tax liability.

### XIII. CONTINGENT LIABILITIES AND PROVISIONS

#### Provision:-

**CHEMTECH INDUSTRIAL VALVES LIMITED**

Provision are recognized when there is a present obligation as a result of a past event and it is probable that an outflow of benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

**Contingent liabilities:-**

Contingent liabilities are disclosed when there is a possible obligation arising from the past events, the existence of which will be confirmed only on the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**XIV. Cash and Cash Equivalents:**

In the Cash flow statement, cash and cash equivalents include cash on hand, demand deposits with bank including short term margin money against bank guarantee issued.

**XVII Government Grants:**

Government grants are recognized at their fair value where there is a reasonable assurance that the Grant will be received and the company will comply with all attached conditions.

Government Grants relating to purchase of property, plant and equipment are included in non- current liabilities as deferred income and are credited to profit or loss in proportion to depreciation over the expected lives of the related assets and presented within other income.

Government grants relating to income are deferred and recognized in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

**NOTE: 2 Property, Plant and Equipments and Intangible Assets**

2.1 Vehicles owned by the Company includes registered in the name of the Directors.

2.2 The Factory Gala No. 12,13,14,16 and 42 at Asangaon has been revalued at fair market value as on 01.04.2011 amounting to Rs.60,07,500/- as per the valuation report of an independent govt. approved valuers. Correspondingly revaluation reserve is created to the extent of Rs. 36,93,762/- and Net block of assets has been increased to that extent.

ASSETS	Land	Building	Machinery	Pattern	Office Equipment	Electric Installation	Motor	Computer	Furniture	Computer Software	Capital WIP WADA	Total
<b>Gross Carrying Amount</b>												
Balance as at 31 March 2020	1,69,24,170	8,41,21,933	8,05,56,520	74,57,587	50,64,464	41,92,768	42,10,811	20,68,401	1,56,43,669	16,44,115	5,42,000	22,24,26,438
Additions	-	-	37,330	1,95,350	1,00,484	-	18,18,378	40,033	-	-	20,48,268	<b>42,39,843</b>
Disposals/assets Written off	-	-	-	-	-	-	42,10,811	-	-	-	-	42,10,811
Balance as at 31st March 2021	1,69,24,170	8,41,21,933	8,05,93,850	76,52,937	51,64,948	41,92,768	18,18,378	21,08,434	1,56,43,669	16,44,115	25,90,268	22,24,55,470
Additions	-	-	7,24,915	2,28,500	65,295	-	38,74,775	1,13,836	-	-	2,76,653	<b>52,83,974</b>
Disposals/assets Written off	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2022	1,69,24,170	8,41,21,933	8,13,18,765	78,81,437	52,30,243	41,92,768	56,93,153	22,22,270	1,56,43,669	16,44,115	28,66,921	22,77,39,44 <sup>4</sup>
<b>Accumulated Depreciation</b>												
Balance as at 31st March 2020	-	<b>1,91,40,355</b>	<b>4,06,03,115</b>	<b>59,07,846</b>	<b>47,39,648</b>	<b>29,87,816</b>	<b>40,00,268</b>	<b>17,57,537</b>	<b>1,11,15,955</b>	<b>10,72,560</b>	-	<b>9,13,25,100</b>
Charge for the year	-	24,03,880	50,08,190	1,94,718	33,340	4,67,616	18,663	18,873	15,27,264	2,07,976	-	98,80,520
Adjustments for disposal	-	-	-	-	-	-	40,06,510	-	-	-	-	40,06,510
Balance as at 31st March 2021	-	<b>2,15,44,235</b>	<b>4,56,11,305</b>	<b>61,02,564</b>	<b>47,72,988</b>	<b>34,55,432</b>	<b>12,421</b>	<b>17,76,410</b>	<b>1,26,43,219</b>	<b>12,80,536</b>	-	<b>9,71,99,110</b>
Charge for the year	-	24,03,879	49,70,371	2,26,788	46,164	4,67,616	3,61,828	73,756	14,43,233	1,19,327	-	1,01,12,962
Adjustments for disposal	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2022	-	<b>2,39,48,114</b>	<b>5,05,81,676</b>	<b>63,29,352</b>	<b>48,19,152</b>	<b>39,23,048</b>	<b>3,74,249</b>	<b>18,50,166</b>	<b>1,40,86,452</b>	<b>13,99,863</b>	-	<b>10,73,12,072</b>
<b>Net Book Value as at 31st March 2021</b>	<b>1,69,24,170</b>	<b>6,25,77,698</b>	<b>3,49,82,545</b>	<b>15,50,373</b>	<b>3,91,960</b>	<b>7,37,336</b>	<b>18,05,957</b>	<b>3,32,024</b>	<b>30,00,450</b>	<b>3,63,579</b>	<b>25,90,268</b>	<b>12,52,56,360</b>
<b>Net Book Value as at 31st March 2022</b>	<b>1,69,24,170</b>	<b>6,01,73,819</b>	<b>3,07,37,089</b>	<b>15,52,085</b>	<b>4,11,091</b>	<b>2,69,720</b>	<b>53,18,904</b>	<b>3,72,104</b>	<b>15,57,214</b>	<b>2,44,252</b>	<b>28,66,922</b>	<b>12,04,27,370</b>



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<b>NOTE 3 - Financial Assets: Investments</b>		
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2022</b>	<b>As at 31<sup>st</sup> March 2021</b>
Investment in Equity Shares-Unquoted (At Cost)		
The Bharat Co-Op. Bank Ltd Shares (25 Equity Shares Rs.10 each fully paid )	252.00	252.00
The C.K.P. Co-Op. Bank Shares (21500 Eq. Shares of Rs 25/- each fully paid)	537500.00	537500.00
<b>Total</b>	<b>5,37,752.00</b>	<b>5,37,752.00</b>

<b>NOTE 4 - Financial Assets: Trade receivables</b>		
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2022</b>	<b>As at 31<sup>st</sup> March 2021</b>
Trade receivables		
Outstanding for a period Exceeding 12 months		
Outstanding for a period 1 Year-2 Year	11,67,050.00	26,86,032.00
Outstanding for a period 2 Year-3 Year	24,95,023.97	62,191.00
Outstanding for a period more than 3 Year	1,91,30,900.00	1,91,59,701.00
<b>Total</b>	<b>2,27,92,974.00</b>	<b>2,19,07,924.01</b>

<b>NOTE 5 - Financial Assets: Trade Loans</b>		
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2022</b>	<b>As at 31<sup>st</sup> March 2021</b>
Security Deposits (unsecured considered good)		337270.00
<b>Total</b>		<b>3,37,270.00</b>

<b>NOTE 6 - Financial Assets: Others</b>		
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2022</b>	<b>As at 31<sup>st</sup> March 2021</b>
Margin money with Bank (Against Bank guarantee with maturity more than 12 months)	-	1037081.00
<b>Total</b>	<b>-</b>	<b>10,37,081.00</b>

<b>NOTE 7 - Other Non-Current assets</b>		
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2022</b>	<b>As at 31<sup>st</sup> March 2021</b>
Retention Money with clients (unsecured considered good)	7,27,000.00	6,61,281.00
<b>Total</b>	<b>7,27,000.00</b>	<b>6,61,281.00</b>

<b>NOTE 8 - Current Assets: Inventories</b>		
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2022</b>	<b>As at 31<sup>st</sup> March 2021</b>

## CHEMTECH INDUSTRIAL VALVES LIMITED

i) Raw Materials	66,98,304.36	68,12,058.00
ii) Stock-in-process	81,28,176.31	48,88,293.00
iii) Finished goods	2,07,50,291.00	1,42,45,537.00
<b>Total</b>	<b>3,55,76,772.00</b>	<b>2,59,45,888.00</b>

**NOTE 9 - Financial Assets: Trade receivables**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Trade receivables</b>		
Outstanding for a period Less than 12 months		
Outstanding for a period Less than 6 months	2,06,31,429.40	3,81,93,547.99
Outstanding for a period 6 month-1 Year	45,47,941.21	1,33,78,815.94
<b>Total</b>	<b>2,51,79,371</b>	<b>5,15,72,363.93</b>

**NOTE 10 - Financial Assets: Cash and cash equivalents**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Balance with Bank (Current Account)	1,75,63,353.00	1,09,31,373.00
Cash on hand	26,33,223.00	19,59,671.00
Fixed Deposits with Bank as margin money for Bank Guarantee	21,02,969.00	7,57,009.00
Fixed Deposits with Bank (others)	76,32,282.00	21,84,709.00
<b>Total</b>	<b>2,99,31,827.00</b>	<b>1,58,32,762.00</b>

**NOTE 11- Financial Assets: Loans**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>(Unsecured considered good)</b>		
Advances to Staff	1,89,040.00	2,08,599.00
Advances to others	3,48,580.00	3,05,165.00
<b>Loans &amp; Advances</b>		
Security Deposits		6,15,751.00
<b>Total</b>	<b>5,37,620.00</b>	<b>11,29,515.00</b>

**Financial Assets: Others**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Security Deposits	813492.75	
<b>Total</b>	<b>813492.75</b>	

**NOTE 12- Other current assets**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Prepaid Insurance	1,43,840.00	1,17,527.00
Balances with Statutory/government	3,07,18,106.00	2,37,60,612.00

## CHEMTECH INDUSTRIAL VALVES LIMITED

	authorities		
	<b>Total</b>	<b>3,08,61,946.00</b>	<b>2,38,78,139.00</b>

**NOTE 13- Equity Share Capital**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>1,14,87,333 Equity Shares of Rs.10/- each fully paid up</b>	11,48,73,330.00	11,48,73,330.00
<b>Total</b>	<b>11,48,73,330.00</b>	<b>11,48,73,330.00</b>

**(i) Authorised Equity Share Capital**

Particulars	Number of shares	Amount
<b>As at 31<sup>st</sup> March 2021</b>	1,20,00,000.00	12,00,00,000.00
<b>Increase during the year</b>	-	-
<b>As at 31<sup>st</sup> March 2022</b>	1,20,00,000.00	12,00,00,000.00

**(i) Authorised Equity Share Capital**

Particulars	Number of shares	Amount
<b>As at 31<sup>st</sup> March 2021</b>	1,20,00,000.00	12,00,00,000.00
<b>Increase during the year</b>	-	-
<b>As at 31<sup>st</sup> March 2022</b>	1,20,00,000.00	12,00,00,000.00

**(ii) Issued and Subscribed Share Capital**

Particulars	Number of shares	Face Value	Equity share capital (par value)
<b>As at 31<sup>st</sup> March 2021</b>	1,14,87,333.00	10.00	11,48,73,330.00
<b>Issued during the year</b>	-	-	-
<b>As at 31<sup>st</sup> March 2022</b>	1,14,87,333.00	10.00	11,48,73,330.00

**(iii) Terms and rights attached to equity shares**

The company has only one class of equity shares having a par value of Rs. 10.00/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. the distribution will be in proportion to the number of equity shares held by the shareholders.

**(iv) Details of shareholders holding more than 5% shares in the company**

Particulars	As at 31 <sup>st</sup> March 2022			As at 31 <sup>st</sup> March 2021	
	Number of shares	% holding	% Change During The	Number of shares	% holding

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			Year		
Mr. Ignatious C. David	14,73,500.00	12.83%	0.00%	14,73,500.00	12.83%
Mr. Pradeep S. Badkur	12,60,763.00	10.98%	0.00%	12,60,763.00	10.98%
Mrs. Namrata P. Badkur	14,54,166.00	12.66%	0.00%	14,54,166.00	12.66%
Mr. Harsh P. Badkur	18,14,236.00	15.79%	0.00%	18,14,236.00	15.79%
Mr. Puneet P. Badkur	20,49,834.00	17.84%	4.01%	15,88,894.00	13.83%

(v) The Company has issued 33,00,000.00 fully paid bonus Equity shares to existing shares holder at the ration 6:1 on 24/06/2013.

(vi) The Company has allotted 2669333.00 fully paid Equity shares to promoters at a premium of Rs. 5/- per share on 24/06/2013 pursuant to preferential allotment basis.

(vii) The Company has allotted 4968000.00 fully paid Equity shares to public at a premium of Rs. 5/- per share on 27/01/2014, pursuant to Initial Public Offer (IPO).

<b>(viii) Details of Shares held by holding / ultimate holding company / or their subsidiaries / associates</b>		
Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
	Shares held by holding / ultimate holding company / or their subsidiaries / associates	Nil

**NOTE 14- Other Equity**

<b>FY 2021-22</b>				
Particulars	Securities Premium	Revaluation Reserve	Retained Earnings	Total
Balance at the 1 <sup>st</sup> April 2021	3,17,61,421.00	28,58,616.00	(5,56,84,146.00)	(2,10,64,109.00)
Depreciation on Revalued assets				
Transferred from Revaluation Reserve				
Book Profit During the Year			(56,07,388.00)	(56,07,388.00)
Total Comprehensive income for the year			(56,07,388.00)	(56,07,388.00)
<b>Balance at the 31<sup>st</sup> March 2022 (IGAAP)</b>	<b>3,17,61,421.00</b>	<b>28,58,616.00</b>	<b>(6,12,91,535.00)</b>	<b>(2,66,71,498.00)</b>

## CHEMTECH INDUSTRIAL VALVES LIMITED

Balance at the 31 <sup>st</sup> March 2022 (IND AS) (Before Adj)	3,17,61,421.00	28,58,616.00	(5,80,16,929.00)	(2,33,96,892.00)
Ind AS Impact				
Deferred Tax for Gratuity & Loan Processing Fee	-	-	4,72,896.00	4,72,896.00
Loan Processing Fee	-	-	1,19,556.00	1,19,556.00
<b>Balance at the 31<sup>st</sup> March 2022 (IND AS) (After Adj)</b>	<b>3,17,61,421.00</b>	<b>28,58,616.00</b>	<b>(5,74,24,477.00)</b>	<b>(2,28,04,440.00)</b>

**NON CURRENT LIABILITIES****NOTE 14- Financial Liabilities- Borrowings**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Term loans (Secured)</b>		
a. From Banks	5,83,86,878.00	6,36,88,895.00
b. From Financial Institutions other than Banks	4,43,10,466.00	4,19,60,537.00
<b>Term loans (Unsecured)</b>		
a. From Banks	(532.00)	9,79,735.00
b. From Financial Institutions other than Banks		6,32,915.00
<b>Total</b>	<b>10,26,96,812.00</b>	<b>10,72,62,082.00</b>

**Securities and Terms of Borrowings for secured Term Loans****15.1 Term Loan from Banks****15.1.1 Term Loan from IndusInd Bank is secured by way of :****(i) Primary Security**

First and exclusive charge on land & building, Plant & Machinery, all movable & immovable assets (both present & future), factory at Kondala Road, Survey Gut No. 37, Village Vadvali, Tah Wada, Dist Thane, Pin-421312 owned by the Company.

**(ii) Common Collateral Security**

- (a) Hypothecation on movable fixed assets of the company both present & future except other assets exclusively financed by other banks.

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- (b) Industrial Gala 12,13,14,16, and 42 at Nirmal Ashish Industrial estate, Plot of land bearingNos. 135 (pt0 & 166A/1(pl), Asangoan owned by the company.
- (c) Industrial Gala 43, and 44 at Nirmal Ashish Industrial estate, Plot of land bearingNos. 135 (pt0 & 166A/1(pl), Asangoan owned by the Chemtech instrumentations services Pvt Ltd.
- (d) Personnel Guarantee of Mr. Ignatious (d) Personnel Guarantee of Mr. Ignatious C. David, Mr.Jimmi Ignatious, Mr.Pradeep S. Badkur, Mr.Harsh Badkur, Mr. Puneet Badkur and Mrs. Namrata Badkur Director/Promoters/Shareholders of the company.
- (e) Working Capital Loan from IndusInd Bank amounting to 41,69,888.00/- (P.Y.48,42,451.00/-).
- (f) (f)The Long Term Loan of Rs.250 Lakhs is raised by reducing Cash Credit Limit of Indusind Bank having primary security is as same as primary security for Cash credit The Long term Loan from IndusInd Bank amounting to 69,45,137.00/- (P.Y. 1,19,45,137.00/-) repayable in 60 monthly installments of Rs. 4,16,667.00/- per month commencing from January 2018 last installment due in January 2023 i.e. 20 installments from the close of this financial period. The rate of interest is (bank base rate+2.15%) per annum floating or fixed as at end of the year.

**15.1.2 Term Loan from Yes Bank is secured by way of :**

The Long Term Loan is secured by way of hypothecation of Office No. 503, 5th floor, Sunrise Business Park, Quantum IT Park, Plot No. B-68, Road No. 16, Wagle Industrial Estate, Thane (W) 400604 owned by Company.

(a) The Long Term Loan of Rs.294 Lakhs is raised against the closure of Capri Global Capital Limited of outstanding loan amount 2,10,33,241.00/- in May 2018. Repayable in 180 monthly installments of Rs. 3,06,116.00/- per month commencing from June 2018, last installment due in May 2033 i.e. 170 installments from the close of this financial period. The rate of interest is (bank base rate+ 0.20%) per annum, subject to change in base rate as at the end of year.

**15.2 Term Loan from financial institutions other than banks**

**15.2.1** Term Loan from INDIABULLS HOUSING FINANCE LIMITED is secured by way of hypothecation of Flat No. 606, 6th floor, A WING, DHAIVAT, BAL RAJESHWAR, KALPA NAGAR, MULUND (WEST), Mumbai 400080 owned by Mr. IGNATIOUS INASU director of the Company.

Term Loan from INDIABULLS HOUSING FINANCE LIMITED amounting to Rs. 0.00/- (P.Y.61,402.00 Dr/-) has been repaid in excess to the extent of Rs.61,402.00. The same is to be received from IHFL during the Year 2021-2022.

**15.2.2** Term Loan from India Infoline Housing Finance Ltd. is secured by way of hypothecation of Flat C-201/A and 201B 2nd Floor C-Wing Lake Castle Cliff Avenue Road Hiranadani Garden Lake Vihar Road Mumbai - 400076 owned by the directors Pradeep Badkur and Namarata Badkur.

**CHEMTECH INDUSTRIAL VALVES LIMITED**

Term Loan from India Infoline Housing Finance Ltd. amounting to Rs.0/- (P.Y. 3,84,73,607/-) repayable in 150 monthly installments (including interest) of Rs.5,77,581.00/-. The rate of interest is 9.5% per annum floating as at the end of the year. The same loan is repaid before its term by fresh borrowings from Goderj Housing Finance Limited.

**15.2.3** Term Loan from Capri Global Capital Ltd.(5147) is secured by way of hypothecation of Office No. 503, 5th floor, Sunrise Business Park, Quantum IT Park, Plot No. B-68, Road No. 16, Wagle Industrial Estate, Thane (W) 400604 owned by Company.

Term Loan from India Infoline Housing Finance Ltd. amounting to Rs.0/- (P.Y. 3,84,73,607.00/-) repayable in 150 monthly installments (including interest) of Rs.5,77,581.00/-. The rate of interest is 9.5% per annum floating as at the end of the year. The same loan is repaid before its term by fresh borrowings from Goderj Housing Finance Limited.

**15.3.3** Term Loan From IIFL Home Finance Ltd amounting to Rs.0/- (P.Y.-73,20,753.00/-) repayable in 117 monthly installment (including interest) of Rs.1,14,444.00/- per month commencing from 1/08/2020 last installment due in December 2030 i.e 109 installment from the close of this Financial period. The same loan is repaid before its term by fresh borrowings from Goderj Housing Finance Limited.

**15.4.4** Term Loan against property From IDFC First Bank Ltd amounting to Rs.1,23,51,826.00/- (P.Y.-1,27,87,568.00/--).repayable in 180 monthly installment (including interest) of Rs.1,30,745.00/- per month commencing from 2/1/2021 last installment due in December 2035 i.e.165 installment from the close of this Financial Period.

**15.4.5** Term Loan From IDFC First Bank Ltd amounting to Rs.71,87,250.00/- (P.Y.-74,39,926.00/-) repayable in 180 installment (including interest) of Rs.74,780.00/- per month commencing from 2/3/2021 last installment due in 2/2/2036 i.e 167 installment from the close of this financial period.

**15.4.6** Car Loan from Yes Bank Ltd. Amounting to Rs.14,56,175.00/- (P.Y.-17,61,555.00/-) repayable in 60 installments (including interest) of Rs.36,110.00/- per month commencing from 15/3/2021 last installment due in 15/2/2026 i.e 47 installment from the close of this financial period.

**15.4.7** Term Loan From Yes Bank Ltd. Amounting to Rs.44,50,747.00/- (P.Y.-55,67,280/-) repayable in 51 installments commencing from 15/8/2020 last installment due in 15/10/2024 i.e 31 installment from the close of this financial period.

**15.4.8** Car Loan from HDFC Bank Ltd. Amounting to Rs.22,28,437.00/- (P.Y.-0/-) repayable in 60 installments (including interest) of Rs.45,819.00/- per month commencing from 7/2/2022 last installment due in 7/1/2027 i.e 58 installment from the close of this financial period.

**15.4.9** Car Loan from Yes Bank Ltd. Amounting to Rs.10,14,203.00/- (P.Y.-0/-) repayable in 60 installments (including interest) of Rs.22,803.00/- per month commencing from 15/9/2021 last installment due in 15/8/2026 i.e 52 installment from the close of this financial period.

**15.4.10** Term Loan from India Goderj Housing Finance Ltd. amounting to Rs.4,84,94,630.00/- (P.Y. 0/-) repayable in 120 monthly installments (including interest) of Rs.5,82,204.00/-. The rate of interest is 7.5% per annum.

## CHEMTECH INDUSTRIAL VALVES LIMITED

<b>NOTE 16- Financial Liabilities- Trade Payables</b>		
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2022</b>	<b>As at 31<sup>st</sup> March 2021</b>
<b>Sundry Creditors</b>		
For Goods		
Outstanding 1Year-2Year	6,106.50	55,522.00
Outstanding 2 Year-3 Year		
Outstanding more than 3 Year	1,91,888.60	1,91,888.60
For Expenses		
Outstanding 1Year-2Year	3,692.00	17,700.00
Outstanding 2 Year-3 Year		
Outstanding more than 3 Year		
<b>For Capital</b>		
Outstanding 1Year-2Year		
Outstanding 2 Year-3 Year		
Outstanding more than 3 Year		
<b>MSME</b>		
Outstanding 1Year-2Year	86746.00	
Outstanding 2 Year-3 Year		
Outstanding more than 3 Year		
<b>Total</b>	<b>2,88,433.00</b>	<b>2,65,111.00</b>

<b>NOTE 17- Provisions</b>		
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2022</b>	<b>As at 31<sup>st</sup> March 2021</b>
Provision for Gratuity	17,59,400.00	17,23,523.00
Less: Short term Provision	(35,877.00)	(1,91,323.00)
<b>Total</b>	<b>17,23,523.00</b>	<b>15,32,200.00</b>

17.1 Provision for gratuity has been made as per actuarial valuation by approved valuer and relied upon by the statutory auditors.

i) Following are the Principal Actuarial Assumptions used as at the balance sheet date:

<b>Policy No.</b>	<b>As at 31<sup>st</sup> March 2022</b>	<b>As at 31<sup>st</sup> March 2021</b>
<b>Valuation Method</b>	Projected Unit Credit Method	Projected Unit Credit Method
<b>Mortality Rate</b>	IALM-Mortality-Tables(2006-08)	IALM-Mortality-Tables(2006-08)



## CHEMTECH INDUSTRIAL VALVES LIMITED

	Ultimate	Ultimate
<b>Withdrawal Rate</b>	1 % per annum for all ages	1 % per annum for all ages
<b>Discount Rate</b>	7.29% p.a.	6.90% p.a.
<b>Salary Escalation</b>	6.00% p.a.	6.00% p.a.
ii) Reconciliation of Opening & Closing balance of Present Value of Defined benefit Obligation ( DBO):-		
Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Present Value of Benefit Obligation at the Beginning of the Period	17,23,523.00	15,32,200.00
Interest Cost	118923.00	1,04,496.00
Current Service Cost	190309.00	2,00,557.00
(Benefit Paid Directly by the Employer)		
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(608.00)	
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(70,485.00)	(14,565.00)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(2,02,262.00)	(99,165.00)
<b>Present Value of Benefit Obligation at the End of the Period</b>	<b>17,59,400.00</b>	<b>17,23,523.00</b>

<b>iii) The company has not invested in Plan Assets</b>
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<b>iv) Balance Sheet Recognition</b>
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Opening Net Liability	17,23,523.00	15,32,200.00
Expense Recognized in Statement of Profit or Loss	35,877.00	1,91,323.00
(Benefit Paid Directly by the Employer)		
<b>Net Liability/(Asset) Recognized in the Balance Sheet</b>	<b>17,59,400.00</b>	<b>17,23,523.00</b>

<b>v) Profit and Loss – Expenses Recognition</b>
--

Current Service Cost	1,90,309.00	2,00,557.00
Net Interest Cost	1,18,923.00	1,04,496.00
Actuarial (Gains)/Losses	(2,73,355.00)	(1,13,730.00)
(Gains)/Losses on Curtailments And Settlements		
<b>Expenses Recognized in the Statement of</b>	<b>35,877.00</b>	<b>1,91,323.00</b>

## CHEMTECH INDUSTRIAL VALVES LIMITED

<b>Profit or Loss</b>		
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<b>vi) Amount recognized in current year and previous four years for Gratuity</b>		
<b>(Present Value of Benefit Obligation at the end of the Period)</b>	(17,59,400.00)	(17,23,523.00)
<b>Fair Value of Plan Assets at the end of the Period</b>		
<b>Funded Status-Deficit</b>	(17,59,400.00)	(17,23,523.00)
<b>Unrecognized Past Service Cost at the end of the Period</b>		
<b>Net Liability Recognized in the Balance Sheet</b>	(17,59,400.00)	(17,23,523.00)

<b>NOTE 18- Deferred tax liabilities (Net)</b>		
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2022</b>	<b>As at 31<sup>st</sup> March 2021</b>
Opening Balance of Deferred Tax	60,82,075.00	68,53,799.00
On account of Dep, Revaluation Reserve, 43B items & Deferred Sales Tax	(4,30,658.00)	(2,70,615.00)
Deferred tax on Ind AS adjustments	(4,72,895.00)	(5,01,107.00)
<b>Total</b>	<b>51,78,523.00</b>	<b>60,82,075.00</b>

<b>NOTE 19- Other non-current liabilities</b>		
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2022</b>	<b>As at 31<sup>st</sup> March 2021</b>
<b>Deferred Sales Tax</b>		105209.00
<b>Total</b>		<b>1,05,209.00</b>

**19.1** The Company granted certificate of entitlement for availing sales tax incentive under package Part-I of the 1993 package scheme of incentive (PSI) of Govt. of Maharashtra by way of deferment of sales Tax liability pertaining to period from 01.09.1999 to 30.04.2006 upto the maximum ceiling of Rs.37,28,000.00/-. The liability deferred for the period of 10 years from the year of collection of sales tax. As per the term of payment the sales Tax liability of each Financial Year is payable in five equal installments. The amount payable after 12 months from this balance sheet dates of Rs. 1,05,209.00 is shown as non current liability and current portion Rs.36,22,791.00 /- is disclosed in statutory liability in Note No.10.

<b>CURRENT LIABILITIES</b>		
<b>NOTE 20- Financial Liabilities- Borrowings</b>		
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2022</b>	<b>As at 31<sup>st</sup> March 2021</b>
Short Term Borrowings - Loans repayable		

## CHEMTECH INDUSTRIAL VALVES LIMITED

on demand - Working Capital		
Current maturities of long-term debt	1,63,41,040.00	
<b>Total</b>	<b>1,63,41,040.00</b>	

**20.1** Cash Credit from IndusInd Bank is secured primarily by way of Hypothecation of the entire current assets of the company comprising of , inter alia of stock of raw material, Work in progress, Finish goods, receivable, book debts and other current assets and with the collateral security as referred in Note 15.1 above.

<b>NOTE 21- Financial Liabilities- Trade Payables</b>		
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2022</b>	<b>As at 31<sup>st</sup> March 2021</b>
<b>Sundry Creditors</b>		
<b>For Goods</b>		
Outstanding less than 6 months	2,73,68,745.00	1,06,26,646.00
Outstanding 6 months-1Year	6,720.00	22,356.00
<b>For Expenses</b>		
Outstanding less than 6 months	23,27,035.00	26,21,411.00
Outstanding 6 months-1Year	51,660.00	96,904.00
<b>For Capital</b>		
Outstanding less than 6 months		
Outstanding 6 months-1Year		
<b>MSME</b>		
Outstanding less than 6 months	79,54,017.00	1,58,71,281.00
Outstanding 6 months-1Year		18,644.00
<b>Total</b>	<b>3,77,08,177.00</b>	<b>2,92,57,240.00</b>

<b>NOTE 22- Financial Liabilities- Other Financial Liabilities</b>		
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2022</b>	<b>As at 31<sup>st</sup> March 2021</b>
Current maturities of long-term debt		1,45,15,343.00
Interest accrued but not due on borrowings	5,51,674.00	7,74,724.00
Employee Liabilities	17,66,439.00	14,95,032.00
Provision for Directors Remuneration	1,48,644.00	2,05,000.00
<b>Total</b>	<b>24,66,757.00</b>	<b>1,69,90,098.63</b>

<b>NOTE 23- Other Current Liabilities</b>		
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2022</b>	<b>As at 31<sup>st</sup> March 2021</b>
Advance received against order	29,95,400.00	40,65,893.00.00

## CHEMTECH INDUSTRIAL VALVES LIMITED

Statutory Liabilities	57,77,309.00	50,79,471.00
Other Payables	8,58,776.00	1,81,806.00
<b>Total</b>	<b>96,31,485.00</b>	<b>93,27,170.00</b>

23.1 Other payables includes payables for various expenses

<b>NOTE 24- Provisions</b>		
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2022</b>	<b>As at 31<sup>st</sup> March 2021</b>
Provision for Gratuity	35,877.00	1,91,323.00
Income tax		
<b>Total</b>	<b>35,877.00</b>	<b>1,91,323.00</b>

<b>NOTE 25- Revenue From Operations</b>		
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2022</b>	<b>As at 31<sup>st</sup> March 2021</b>
<b>i) Sale of products</b>	11,39,10,995.00	13,87,81,723.00
Less: Excise Duty		
Less: Rejection		
	<b>11,39,10,995.00</b>	<b>13,87,81,723.00</b>
<b>ii) Sale of Services (net of service tax)</b>	8,23,838.00	3,51,341.00
<b>ii) Other Operating Revenue</b>	2,03,054.00	25,500.00
<b>Total</b>	<b>11,49,37,886.00</b>	<b>13,91,58,564.00</b>

<b>NOTE 26- Other Income</b>		
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2022</b>	<b>As at 31<sup>st</sup> March 2021</b>
Discount Received	17169.00	968.00
Dividend Income		0
Duty Drawback	73,259.00	100589.00
Interest received	13,34,536.00	790654.00
Liquidation Damages Received		3920.00
MSEB Subsidy		55210.00
Profit on Sale of Machinery		
Rent Received	1,80,000.00	440000.00
Sundry Balance Written back		
Foreign Currency Fluctuation	9,300.00	
Court Order Cost Received		
Insurance Claim Received	200298.00	
<b>Total</b>	<b>18,14,562.00</b>	<b>13,91,341.00</b>

**NOTE 27- Cost of Materials Consumed**

## CHEMTECH INDUSTRIAL VALVES LIMITED

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Raw Material Consumed</b>		
Opening Stock of Raw Material	68,12,058.00	52,18,812.00
Add : Purchase	6,96,71,280.00	6,13,88,277.00
Less: Excise Duty paid on purchase		
Add : Packing Material Consumed	8,37,584.00	8,44,044.00
	7,73,20,922.00	6,74,51,133.00
Less : Rejection of Material		9,482.00
Less : Closing of Raw material	1,48,26,481.00	68,12,058.00
<b>Total</b>	<b>6,24,94,442.00</b>	<b>6,06,29,593.00</b>

**NOTE 28- Purchases of Stock-in-Trade**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Traded Purchases		17,29,663.00
<b>Total</b>		<b>17,29,663.00</b>

**NOTE 29- Change in Inventories of FG & WIP**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Opening Work in progress & Finished Goods	1,91,33,830.00	3,74,49,136.00
Less: Closing Work in Progress & Finished Goods	2,07,50,291.00	1,91,33,830.00
<b>Total</b>	<b>(16,16,461.00)</b>	<b>1,83,15,306.00</b>

**NOTE 30- Employee Cost and Benefits**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Directors Remuneration	26,65,000.00	24,58,400.00
Staff Salaries, Bonus, Retrenchment, Gratuity & Leave Salary	1,23,84,321.00	84,83,984.00
Employers Contribution to PF & ESIC	94,776.00	69,441.00
Admin Charges to PF & ESIC	6,500.00	6,000.00
Staff Welfare	13,37,415.00	6,99,971.11
<b>Total</b>	<b>1,64,88,012.00</b>	<b>1,17,17,796.00</b>

**NOTE 31- Other Expenses**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Auditor's Remuneration	1,60,000.00	1,60,000.00
Job Works	74,22,861.00	53,03,715.30
Rates & Taxes	2,35,657.00	67,866.00
Loss on sale of motor vehicle		12,539.00
Liquidated Damaged paid	5,90,985.00	3,44,259.40
Power & Fuel Expenses	27,83,650.00	22,79,196.00

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Professional Fees	9,00,531.00	8,35,535.21
Selling Expenses	9,98,555.00	25,43,099.00
Insurance Paid	1,64,377.00	1,83,740.60
Rent	7,88,400.00	1,77,300.00
Repair & Maintenance building		
Repair & Maintenance	7,78,693.00	4,93,082.79
Transport Expenses	29,85,819.00	38,01,052.00
Foreign Currency Fluctuation	38936.00	48414.75
Other Miscellaneous Expenses	36,16,629.00	30,56,222.00
W off	2,17,929.00	(11,57,968.00)
<b>Total</b>	<b>2,16,83,023.00</b>	<b>1,81,48,054.00</b>

**NOTE 32- Finance Costs**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Interest Expenses	1,26,27,078.00	1,23,36,417.00
Interest on Govt. Dues	19,434.00	13,015.00
Other Borrowing cost*	9,81,997.00	12,17,756.00
Valuation Charges		
<b>Total</b>	<b>1,36,28,509.00</b>	<b>1,35,67,188.00</b>

**32.1** Other borrowing cost includes bank charges, loan processing charges and Loan foreclosure charges.

**NOTE 33- Earnings per share**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Profit After Tax	(56,07,388.00)	68,38,641.00
Weighted Average No. of Equity Shares*	1,14,87,333.00	1,14,87,333.00
<b>EPS (basic &amp; Diluted)</b>	<b>(0.49.00)</b>	<b>0.60.00</b>

**NOTE 34- Contingent Liability**

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
i) Counter guarantee given by Banks	1,88,63,811.00	1,06,96,343.00
ii) Central Sales Tax Dues (disputed in appeal)	45,30,181.00	45,30,181.00
iii) Income tax demand outstanding-pending rectification	34,350.00	34,350.00
iv) Investment in CKP bank shares	5,37,500.00	5,37,500.00
iv) FD with CKP Bank	1,30,147.00	1,30,147.00
<b>Total</b>	<b>2,40,95,989.00</b>	<b>1,59,28,521.00</b>

**34.1** With respect to the Central Sales Tax Due of Rs.45,30,181.00/- the company has file an appeal and based on expert legal advise and merits of the case the Company is hopeful that

## CHEMTECH INDUSTRIAL VALVES LIMITED

the outcome would be in its favor. And accordingly no provision is required to be made in the accounts. However, it is not practicable to estimate the timing of cash outflow if any, in respect of the above pending the resolution of the proceedings.

**34.2** In respect of Contingent Liability related to CKP bank shares, the same has been disclosed because the bank has stopped its main operations as per RBI instructions.

<b>NOTE 35- Audit Remuneration</b>		
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2022</b>	<b>As at 31<sup>st</sup> March 2021</b>
For Statutory Audit	130000.00	130000.00
For Tax Audit	30000.00	30000.00
For other matters		37500.00
<b>Total</b>	<b>160000.00</b>	<b>1,97,500.00</b>

<b>NOTE 36- Related party Transaction as per IND AS 24</b>			
<b>a. Related party are given below</b>			
<b>Sr.No</b>	<b>Enterprise on which major Shareholders Exercises Significant Influence</b>	<b>Relative to Key Management Personnel</b>	<b>Key Management Personnel</b>
1	Badkur Blow Plast Containers Pvt. Ltd.	Namrata Badkur	Puneet Badkur
2	---	Orville Ignatious	C.D. Ignatious
3	---	Jenny Ignatious	Harsh Badkur
4	---	Neeti Gupta	Deepali Ramsevak Gupta
<b>b. Details of transaction are given below</b>			
<b>Sr.No</b>	<b>Nature of Transactions</b>	<b>For the year ended 31<sup>st</sup> March 2022</b>	<b>For the year ended 31<sup>st</sup> March 2021</b>
<b>1</b>	<b><u>Loan Transaction</u></b>		
	<b>(a) Taken During the year</b>		
	Key Management Personnel	-	-
	Enterprises over which Significant Influence	-	-
<b>2</b>	<b><u>Director remuneration</u></b>		
	Key Management Personnel	26,65,000.00	24,58,400.00
		<b>26,65,000.00</b>	<b>22,95,924.00</b>
<b>3</b>	<b><u>Salary</u></b>		
	Relative of Key Management Personnel	18,45,200.00	16,24,720.00

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	Key Management Personnel	4,37,275.00	2,68,105.00
		<b>22,82,475.00</b>	<b>18,92,825.00</b>
<b>4</b>	<b><u>Reimbursement of Credit card</u></b>		
	Key Management Personnel	-	-
	Relative of Key Management Personnel	11,760.00	13,141.00
		<b>11,760.00</b>	<b>13,141.00</b>

**NOTE 37- Information pursuant to provision of Schedule III of Companies Act 2013:****A) Opening and Closing inventory (including WIP):**

Products	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021
Casting	23,49,394.00	15,78,461.00
Plates & Rods	32,87,039.81	13,17,254.92
Welding rod & Stud nuts	8,62,149.50	4,77,299.50
WIP of Unfinished Assembled valve	66,98,304.36	68,12,058.86
Others	16,29,593.00	15,15,278.00
Finished	2,07,50,291.00	1,42,45,537.00
<b>Total</b>	<b>3,55,76,772.00</b>	<b>2,59,45,889.00</b>

**B) The information about principal items of Raw Materials Consumed is as follows:**

Products	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021
Casting	4,87,330.00	23,20,271.00
Plates & Rods	2,38,26,358.00	77,69,373.00
Welding rod & Stud nuts	9,13,175.00	7,74,386.00
Unfinished valve	3,61,06,687.00	5,88,78,043.00
Packing Materials	8,37,584.00	8,44,044.00
Others	52,09,802.00	39,24,070.00
Less: Excise Duty paid on purchase	-	-
<b>Total</b>	<b>6,73,80,936.00</b>	<b>7,45,10,187.00</b>

**C) The above materials are indigenous and imports are Nil (P.Y. Nil)****D) Details of Manufactured Goods:**

Products	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021
<b>Assembled valves</b>		
Opening Stock		
Sales	11,39,10,995.00	13,68,04,447.00



## CHEMTECH INDUSTRIAL VALVES LIMITED

Closing Stock	3,55,76,771.67	2,59,45,889.28
<b>E) Details of Traded Goods (net of tax):</b>		
<b>Products</b>	<b>For the year ended 31<sup>st</sup> March 2022</b>	<b>For the year ended 31<sup>st</sup> March 2021</b>
<b>Steel Coil/Wire Rod /Plates</b>		
Opening Stock	-	-
Purchase	-	-
Sales	-	-
Closing Stock	-	-
<b>Other various products</b>		
Opening Stock	-	-
Purchase	-	17,29,663.00
Sales	-	19,77,276.00
Closing Stock	-	-

<b>Particulars</b>	<b>For the year ended 31<sup>st</sup> March 2022</b>	<b>For the year ended 31<sup>st</sup> March 2021</b>
<b>CIF value of Import Purchase Traded</b>		
<b>Expenditure in Foreign Currency</b>		
Expenses Incurred	0	0
<b>Earning in Foreign currency in FOB basis</b>		
Export Sales	45,78,700.00	62,86,800.00

Information pursuant to Indian Accounting standard 108								
PARTICULARS	Year Ended 31.03.2022			Year Ended 31.03.2021				
	Manufacturing	Project Sales (Traded)	Others unallocable	Total	Manufacturing	Project Sales (Traded)	Others unallocable	Total
Sales to Customers	11,49,37,886			11,49,37,886	13,65,57,480	19,77,276	6,23,808.00	13,91,58,564
Other Income			1814561.82	18,14,562			1391341	1391341
<b>Total Revenue</b>	<b>11,49,37,886</b>		<b>18,14,562</b>	<b>11,67,52,448</b>	<b>13,65,57,480</b>	<b>19,77,276</b>	<b>20,15,149</b>	<b>14,05,49,905</b>
<u>Less:</u>	-	-	-	-	-	-	-	-
Allocated Expenditure	8,23,96,627		1,66,52,389	9,90,49,016	9,50,10,959	17,29,663	1,37,99,790	11,05,40,412
Depreciation	86,23,569		14,89,399	1,01,12,968	83,13,676		15,60,604	98,74,280
Interest	1,36,28,509			1,36,28,509	1,35,67,188			1,35,67,188
<b>Segment Profit</b>	<b>1,02,89,182</b>		<b>(1,63,27,226)</b>	<b>(60,38,045)</b>	<b>1,96,65,657</b>	<b>2,47,613</b>	<b>(1,33,45,245)</b>	<b>65,68,025</b>
<u>Other Information</u>	-	-	-	-	-	-	-	-
Segment Assets	23,76,69,937		3,04,69,579	<b>26,81,39,516</b>	25,15,44,540	1,81,282	1,63,70,514	26,80,96,336
Segment Liabilities	17,06,64,337	<b>1,91,888.60</b>	52,14,400	<b>17,60,70,626</b>	16,42,82,998	4,56,113	62,73,399	17,10,12,509
<b>Capital Employed</b>	<b>6,70,05,600</b>	<b>(1,91,889)</b>	<b>2,52,55,178</b>	<b>9,20,68,889</b>	<b>8,72,61,542</b>	<b>(2,74,831)</b>	<b>1,00,97,115</b>	<b>9,70,83,827</b>

**CHEMTECH INDUSTRIAL VALVES LIMITED**

**38 i)** The balance confirmation in respect of debtors, creditors, advances, loans and deposits as at 31<sup>st</sup> March 2022 have been called for and the same are subject to confirmation and reconciliation if any. However, the management has scrutinized the accounts and the balances appearing in the balance sheet are correct.

ii) In the opinion of management, no item of current assets, loans and advances has a value on realization in the ordinary course of business, which is less than the amount of value at which it is stated in the balance sheet, unless otherwise specified.

**39** Figures of previous year are regrouped and reclassified as and when necessary.

**As per our report of even date annexed  
Directors  
For Raju & Prasad  
Chartered Accountants  
FRN - 003475S**

**For and on Behalf of the Board of**

<b>Sd/ Avinash. T. Jain Partner Membership No.: 041689 Place : Mumbai Date : 19.05.2022 UDIN: 22041689AJGBQD9703</b>	<b>Sd/- Harsh P. Badkur Chairman &amp; Managing Director DIN: 00676715</b>	<b>Sd/- Puneet P. Badkur Wholetime Director &amp; CFO DIN: 07803209</b>	<b>Sd/- C.D. Ignatious Wholetime Director DIN: 01750827</b>	<b>Sd/- Prachi Kothari Company Secretary ACS: A68380</b>
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**THANK  
YOU!**