

CHEMTECH

INDUSTRIAL VALVES LTD.
ISO 9001:2008 CERTIFIED COMPANY



Date: 21st October, 2020

To,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

Sub: Postal Ballot Notice
Scrip Code: 537326 (Chemtech Industrial Valves Limited)

Respected Sir/Madam,

We have enclosed herewith the Postal Ballot Notice dated October 15, 2020, as sent to the Members on their registered Email address, seeking approval for the following Special Businesses as set out in the said Postal Ballot Notice:

1. To increase the limits of borrowing by the Board of Directors of the Company under Section 180(1)(c) of the Companies Act, 2013; and
2. To seek approval under Section 180(1)(a) of the Companies Act, 2013 inter alia for creation of mortgage or charge on the assets, properties or undertaking(s) of the Company.

The e-voting period commences on Thursday, October 22, 2020 (9:00 hours 1ST) and ends on Friday, November 21, 2020 (17:00 hours 1ST). During this period the Members of the Company, holding shares either in physical form or in demat form, as on the cut-off date i.e. October 16, 2020, may cast their vote electronically.

The said information is also being made available on the website of the Company i.e. www.chemtechvalves.com.

This is for your information and records.

Yours Faithfully,

For Chemtech Industrial Valves Limited

SHWETA SUNIL NAGPAL
Digitally signed by
SHWETA SUNIL NAGPAL
Date: 2020.10.21 18:43:40
+05'30'

Shweta Nagpal
Company Secretary and Compliance Officer
Encl.: As above

Correspondence & Admin Office : 503, Sunrise Business Park, Plot No. B-68, Road No. 16, Near Kisan Nagar-2, Wagle Industrial Estate, Thane (W), (Mumbai) 400 604. **Tel:** 022 25839500 / 25838220, **Email:** marketing@chemtechvalves.com, **Website** : www.chemtechvalves.com,

Works: Plot No. 37, Kondala Road, Opp Essel Propack, Near Multi Steel, Post. Vadavali, Tal. Wada, Dist. Palghar – 421 312. **Tel.:** +91 9223300521

Registered Office: 105, Hiranandani Industrial Estate, Opp. Kanjurmarg (W), Mumbai – 400 078.

CIN: L29299MH1997PLC105108, Registered Medium Enterprises Under MSMED Act, 2006 **GSTIN:** 27AAACC5866H1ZI

CHEMTECH INDUSTRIAL VALVES LIMITED**CIN:** L29299MH1997PLC105108**Registered Office:** 105, Hiranandani Industrial Estate, Opp. Kanjurmarg (W), Mumbai – 400 078**Tel:** 022 25839500 / 25838220, **Email:** investors@chemtechvalves.com, **Website:**
www.chemtechvalves.com**POSTAL BALLOT NOTICE**

Dear Member(s),

NOTICE is hereby given, pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 ("the Rules") including any statutory modification or re-enactment thereof for the time being in force, Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), read with General Circular No.14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 (the "MCA Circulars") General Circular No. 22/2020 dated 15th June, 2020 and General Circular No. 33/2020 dated 28th September, 2020 issued by the Ministry of Corporate Affairs ("General Circulars"), and any other applicable laws and regulations, for seeking the approval of the Members of the Company by way of Special Resolution for the businesses set out hereunder through Postal Ballot through remote e-voting ("Postal Ballot/ E-Voting").

In due consideration of the occurrence of worldwide pandemic of COVID-19 and a measure of lockdown adopted by the Government of India to cope up with the pandemic all services throughout the country are severely got effected like transport services, courier services etc. in view of this the Ministry of Corporate Affairs has issued some directives and General Circulars No.14/2020 dated April 8, 2020, No. 17/2020 dated April 13, 2020, No.22/2020 dated 15th June, 2020 and No. 33/2020 dated 28th September, 2020 ("the MCA Circulars"), in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by COVID - 19" the Company is providing e-voting facility for the Postal Ballot as an alternate, which would enable the members to cast their votes electronically, instead of casting their votes and dispatching Postal Ballot forms physically due to irregularity of Courier services. Reference to postal ballot(s) in this notice includes voting through electronic means only.

Hence, in compliance with the requirements of the MCA Circulars, hard copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business reply envelope will not be sent to the members for this Postal Ballot and members are required to communicate their assent or dissent through the remote e-voting system only.

Please note that in compliance with the provisions of Section 108 of the Act read with Rule 20 of the Rules and Regulation 44 of the Listing Regulations, the Company has engaged the services of National Securities Depository Limited (NSDL) to provide the Members with the facility of E-voting.

Members are requested to read the instructions carefully while expressing their assent or dissent and cast votes via e-voting so as to reach the Scrutinizer by not later than the close of working hours at 5.00 p.m. on Saturday, November 21, 2020 the last date for the casting of voting through electronic means.

The Board of Directors of the Company now propose to obtain the consent of the members by way of Postal Ballot for the matters as considered in the Resolutions appended below. The Explanatory Statement pursuant to Section 102 of the Act pertaining to the said Resolutions setting out material facts and the reasons for the Resolution is also annexed.

You are requested to peruse the proposed Resolutions along with their respective Explanatory Statement and thereafter record your assent or dissent by means of remote e-voting facility provided by the Company.

RESOLUTIONS

Special Business:

Item No. 1 - To increase the limits of borrowing by the Board of Directors of the Company under Section 180(1)(c) of the Companies Act, 2013

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

“**RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 (the “Act”) and rules framed thereunder (including any statutory modification(s) and re-enactment(s) thereof for the time being in force), and any other applicable laws and the provisions of the Articles of Association of the Company, consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as the ‘Board’, which term shall be deemed to include any Committee thereof which the Board may hereinafter constitute to exercise its powers including the powers conferred by this Resolution) to borrow and raise such sum or sums of money from time to time as may be required for the purpose of the business of the Company, from time to time, from one or more banks, financial institutions, companies, body corporates, any other person or entity, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate paid-up share capital of the Company, free reserves (that is to say reserves not set apart for any specific purpose) and securities premium of the Company provided that the total amount so borrowed by the Board within the meaning of Section 180(1)(c) of the Act shall not at any time exceed Rs. 75 crores (Rupees Seventy-Five Crores Only) or the limits so prescribed under Section 180(1)(c) of the Act, whichever is higher.”

“**RESOLVED FURTHER THAT** the Board be and is hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, negotiating and finalizing the terms of borrowing, filing of necessary forms, returns, applications and submissions under the Act to give effect to this Resolution.”

Item No. 2 – To seek approval under Section 180(1)(a) of the Companies Act, 2013 inter alia for creation of mortgage or charge on the assets, properties or undertaking(s) 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 Section 180(1)(a) of the Companies Act, 2013 (the “Act”) and any other applicable provisions, if any of the Act, or any amendment or modifications thereof and pursuant to the provisions of the Articles of Association of the Company, consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as the ‘Board’, which term shall be deemed to include any Committee thereof which the Board may hereinafter constitute to exercise its powers including the powers conferred by this Resolution) to sell, lease or dispose of in any manner including but not limited to mortgaging, hypothecating, pledging or in any

manner creating charge on all or any part of the present and future moveable or immovable assets or properties of the Company or the whole or any part of the undertaking(s) of the Company of every nature and kind whatsoever (hereinafter referred to as the “Assets”) and/or creating a floating charge on the Assets to or in favour of banks, financial institutions, investors, or any other lenders to secure the amount borrowed by the Company from time to time for the due re-payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company in respect of the said borrowings provided that the aggregate indebtedness so secured by the Assets do not at any time exceed the value of limits approved under Section 180(1)(c) of the Act.”

“**RESOLVED FURTHER THAT** the Board be and is hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, negotiating and finalizing the terms of sale, lease, creation of security or any other dispositions, filing of necessary forms, returns, applications, submissions under the Act.”

By Order of the Board of Directors
For **Chemtech Industrial Valves Limited**

Place: Mumbai
Date: 15.10.2020

Shweta Nagpal
Company Secretary
Membership No: A59537
CIN: L29299MH1997PLC105108
Registered Office: 105, Hiranandani
Industrial Estate, Opp. Kanjurmarg (W),
Mumbai – 400 078
Tel: 022 25839500 / 25838220,
Email: investors@chemtechvalves.com,
Website: www.chemtechvalves.com

NOTES:

1. The Postal Ballot Notice is being sent by email to all the Members, whose names appear on the Register of Members/List of Beneficial Owners as received from National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') as on October 16, 2020 (the 'cut-off date') and who have registered their email addresses in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Company's Registrar and Share Transfer Agent, Bigshare Services Private Limited ("RTA").
2. The voting shall be reckoned in proportion to a Member's share of voting rights on the paid-up share capital of the Company as on the cut-off date. Any recipient of the Postal Ballot Notice who was not a Member of the Company as on the cut-off date should treat this Postal Ballot Notice for information purpose only.
3. Pursuant to the applicable provisions of the Act and Rules framed thereunder and the SEBI Listing Regulations, the Company can serve notices, annual reports and other communication through electronic mode to those Members who have registered their e-mail addresses either with the Depository Participant(s) or the Company. Members who have not registered their e-mail addresses with the Company can now register the same by sending an e-mail to the RTA on investor@bigshareonline.com. Members holding shares in demat form are requested to register their e-mail addresses with their Depository Participant(s) only.
4. Resolutions, if passed by the Members through postal ballot are deemed to have been duly passed on the last date specified for the e-voting i.e. November 21, 2020 in terms of Secretarial Standard – 2 on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India.
5. A member cannot exercise his vote by proxy on Postal Ballot.
6. As required by Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 read with the MCA Circulars and the SEBI Listing Regulations, the details pertaining to this Postal Ballot will be published in one English national daily newspaper circulating throughout India (in English language) and one regional daily newspaper circulating in Maharashtra (in vernacular language, i.e. Marathi).
7. In case of any query/grievance in connection with the Postal Ballot including evoting, Members may contact NSDL by e-mail at evoting@nsdl.co.in or the Company Secretary at the contact details given hereinabove or at investors@chemtechvalves.com.
8. The Postal Ballot Notice is also placed on the website of the Company www.chemtechvalves.com and website of NSDL www.evoting.nsdl.com.
9. The Board has appointed Mr Shriram Imartey (Membership No. FCS 5933), of M/s S P Imartey & Associates, Practicing Company Secretaries, as the Scrutinizer to conduct the Postal Ballot and remote e-voting process in a fair and transparent manner. After completion of scrutiny of the votes, the Scrutinizer will submit his Report to the Chairman, Managing Director or Company Secretary of the Company. The results of the voting conducted through postal ballot (through the remote e-voting process) will be announced by the Chairman/Company Secretary on or before November 23, 2020.
10. The results of the postal ballot will be placed on the Company's website at www.chemtechvalves.com and on the website of NSDL at www.evoting.nsdl.com and will also be intimated to the Stock Exchange where the shares of the Company are listed i.e. BSE Limited, in accordance with the provisions of SEBI Listing Regulations. In the event that the national lockdown on account of COVID-19 situation is eased off and the Company's offices are open for business, the Company will also display the results of the postal ballot at its registered office.
11. The last date specified by the Company for remote e-voting shall be the date on which the Resolution shall be deemed to have been passed, if approved by the requisite majority.

VOTING THROUGH ELECTRONIC MEANS

In compliance with provisions of Sections 108, 110 and other applicable provisions of the Act read with Rules framed thereunder, Regulation 44 of the SEBI Listing Regulations and SS-2, the Company is

pleased to provide e-voting facility to all its members, to enable them to cast their vote electronically instead of dispatching the physical Postal Ballot form by post. The Company has engaged the services of NSDL for the purpose of providing e-voting facility to all its members.

The instruction for e-voting are as under:

The e-voting period commences on Thursday, October 22, 2020 (9:00 hours IST) and ends on Saturday, November 21, 2020 (17:00 hours IST). During this period the Members of the Company, holding shares either in physical form or in demat form, as on the cut-off date i.e. October 16, 2020, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter and the voting shall not be allowed beyond the said date and time. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

The procedure to login to e-Voting website consists of two steps as detailed hereunder:

Step 1: Log-in to NSDL e-Voting system

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL:
<https://www.evoting.nsdl.com/>.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password 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 will be as per details given below :
 - 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*****).
 - 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. Your password details 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 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, your ‘initial password’ is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a. Click on “[Forgot User Details/Password?](#)”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b. “[Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - 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.

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of the Company.
4. Now you are ready for e-Voting as the Voting page opens.

5. 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.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

In case of members who have not registered their email address:

On account of threat posed by COVID-19 and in terms of the MCA Circulars, the Company will send Postal Ballot Notice in electronic form only and hard copy of Postal Ballot Notice along with Postal Ballot forms and pre-paid business envelope will not be sent to the members for this Postal Ballot. Accordingly, the communication of the assent or dissent of the members would take place through the remote e-voting system only. Therefore, those members who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:

- (i) In light of the MCA Circulars, members who have not registered their email address and in consequence could not receive the postal ballot/ e-voting notice may temporarily get their email registered with the Company’s RTA, please follow steps mentioned below in process for those shareholders whose email ids are not registered: Shareholders can communicate with Bigshare Services Pvt. Ltd., the Company’s Registrar & Transfer Agent (RTA), e-mail ID: investor@bigshareonline.com / or at investors@chemtechvalves.com along with their folio no./DP ID and valid email id for updation /registration. Further, Shareholders holding shares in dematerialised mode are requested to register/update their email addresses with the relevant Depository Participants, either shareholders can request a copy of Annual Report.
- (ii) It is clarified that for permanent registration of email address, the members are however requested to register their email address, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Company’s Registrar and Share Transfer Agent, Bigshare Services Pvt. Ltd.

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 spimarteyandassociates@gmail.com to with a copy marked to 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 www.evoting.nsdl.com to reset the password.

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL by email at evoting@nsdl.co.in or call on.: 1800 222 990.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013**ITEM NO. 1**

The Board of Directors of the Company envisages requirements of funds in future. In addition, the Company will need to maintain adequate liquidity on its balance sheet for general corporate purposes. Further, the Company is also expected to incur capital expenditure in the normal course of its business to support its growth and expansion plans. Therefore, it is important for the Company to put in place appropriate and adequate financing arrangements in order to manage the emerging and future operating requirements. As per the provisions of Section 180 (1)(c) of the Companies Act, 2013, the Board can borrow money subject to the condition that the money to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) shall not exceed the aggregate, for the time being, of the paid-up capital and free reserves, that is to say, reserves not set apart for any specific purpose unless the Shareholders have authorized the Board to borrow the monies upto some higher limits. Hence, it is proposed to empower and authorize the Board of Directors of the Company to borrow money from any Bank(s), Financial Institutions (FIs,) Bodies Corporate or Business Associates or other any person or entity etc., may exceed the aggregate of the paid-up capital of the Company and its free reserves, so that, the total amount up to which the monies may be borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of Rs. 75 crores (Rupees Seventy-Five Crores Only).

The resolution as set out at Item No. 1 of the notice is placed for your approval of the aforesaid limits of borrowing by the Board upto an amount not exceeding Rs. 75 Crores (Rupees Seventy-Five Crores Only) or equivalent thereof in any foreign currency(ies). As per Section 180(1) (c) and other applicable provisions of the Companies Act, 2013, approval of the members is sought by way of Special resolution.

The Board of Directors recommends the Special Resolution for borrowing limits under Section 180 (1) (c) of the Companies Act, 2013 as set out at Item No. 1 of this Notice for approval of the Members.

None of the Directors and Key Managerial Personnel of the Company and the relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No.1.

ITEM NO. 2

The Company may be required to create security by way of charge, mortgage, hypothecation or pledge of the moveable or immovable assets or properties of the Company or the whole or any part of the undertaking(s) of the Company (hereinafter referred to as the “Assets”) in favour of the lenders as per the terms agreed with them in the course of borrowing of funds from time to time to support the business operations, general corporate purposes and capital expenditure.

As per the provisions of Section 180(1)(a) of the Act, consent of members by way of Special Resolution is required to sell, lease or otherwise dispose of the Assets of the Company. The approval of the members shall be required to enable disposition; or creation of security over the Assets as stated above in favour of the lenders to secure the borrowings of the Company to the extent of the approved borrowing limits under Section 180(1)(c) as covered in agenda Item no. 1.

The Board commends the Special Resolution as set out in Item No. 2 of the Notice for approval of the Members.

None of the Directors/Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 2 of the Notice.

By Order of the Board of Directors
For **Chemtech Industrial Valves Limited**

Place: Mumbai
Date: 15.10.2020

Shweta Nagpal
Company Secretary
Membership No: A59537
CIN: L29299MH1997PLC105108
Registered Office: 105, Hiranandani
Industrial Estate, Opp. Kanjurmarg (W),
Mumbai – 400 078
Tel: 022 25839500 / 25838220,
Email: investors@chemtechvalves.com,
Website: www.chemtechvalves.com