

## NOTICE OF POSTAL BALLOT

[Notice pursuant to Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014]

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 the Companies (Management and Administration) Rules, 2014 (**'Rules'**) (including any statutory modification or re-enactment(s) thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to other applicable laws and regulations, seeking approval of the Shareholders by way of ordinary resolution for matters as considered in the Resolution appended below through postal ballot (**"Postal Ballot"**) by way of electronic means through remote e-voting.

The Board of Directors of the Company (**'the Board'**), at its meeting held on June 04, 2020, has approved the appointment of M/s. S R B C & CO LLP, Chartered Accountants, (FRN 324982E/E300003) as Statutory Auditors of the Company in casual vacancy created by the resignation of M/s Deloitte Haskins & Sells LLP, former auditor as envisaged by section 139(8) of the Companies Act, 2013 which says that the casual vacancy caused by the resignation of auditor can only be filled up by the Company after taking consent of the members.

In terms of the MCA Circulars viz. General Circular No.14/2020 dated 8th April 2020 read with General Circular No.17/2020 dated 13th April 2020 and General Circular No. 22/2020 dated 15<sup>th</sup> June 2020, in view of the current extraordinary circumstances due to COVID-19 pandemic requiring social distancing, companies are advised to take all decisions requiring members' approval, other than items of ordinary business or business where any person has a right to be heard, through the mechanism of postal ballot / e-voting in accordance with the provisions of the Companies Act and rules made thereunder, without holding a general meeting that requires physical presence of members at a common venue. The MCA has also clarified that for companies that are required to provide e-voting facility under the Companies Act, while they are transacting any business(es) only by postal ballot upto 30<sup>th</sup> September 2020 or till further orders, whichever is earlier, the requirements of e-voting provided in Rule 20 of the Rules as well as the framework provided in the MCA Circulars will be applicable *mutatis mutandis*. Further, the Company will send Postal Ballot Notice by email to all its shareholders who have registered their email addresses with the Company or depository/depository participants and the communication of assent/dissent of the members will only take place through the remote e-voting system. This Postal Ballot is accordingly being initiated in compliance with the MCA Circulars.

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

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

You are requested to peruse the proposed Resolution along with the Explanatory Statement and thereafter record your assent or dissent by means of remote e-voting facility provided by the Company. The e-voting facility is available at the link [www.evotingindia.com](http://www.evotingindia.com). Please refer the instructions for e-voting given after the Proposed Resolution for the process and manner in which e-voting is to be carried out.

The Board has appointed Mr. Sandip Sheth, (Membership No. FCS 5467) and failing him Mr. Prasant Prajapati (Membership No. ACS 3259) of M/s Sandip Sheth & Associates, Practising Company Secretaries as the Scrutinizer (**'Scrutinizer'**) for conducting the Postal Ballot and e-voting process in a fair and transparent manner.

The Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') or to any other person authorized by the Chairman after the completion of the scrutiny on remote e-voting. The result of the postal ballot shall be declared within 48 hours of end of e-voting and upon receipts of report of scrutinizer and communicated to the stock exchange, and shall also be displayed on the Company's website [www.stovec.com](http://www.stovec.com).

#### **SPECIAL BUSINESS**

- 1) To approve appointment of M/s. S R B C & CO LLP, Chartered Accountants, (FRN 324982E/E300003) as Statutory Auditors of the Company in casual vacancy created by the resignation of M/s Deloitte Haskins & Sells LLP, former auditor.**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) and upon recommendations of the Audit Committee, M/s. S R B C & CO LLP, Chartered Accountants, (FRN 324982E/E300003) be appointed as statutory auditors of the Company to fill the casual vacancy caused by the resignation of M/s Deloitte Haskins & Sells LLP, Chartered Accountants (FRN 117366W/W-100018), to hold office until the conclusion of the next AGM of the Company, at a remuneration of Rs. 24 Lac per annum plus applicable taxes and reimbursement of out of pocket expenses as may be incurred during the audit.

**RESOLVED FURTHER THAT** any of the Directors or any one from Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary to give effect to the foregoing resolution. "

By Order of the Board of Directors  
For **Stovec Industries Limited**

Sd/-  
Sanjeev Singh Sengar  
**Company Secretary**  
**Membership No. FCS 7835**

Date: June 24, 2020  
Place: Ahmedabad

**Registered Office:**

N.I.D.C., Near Lambha Village, Post:  
Narol, Ahmedabad – 382 405, Gujarat, India.

**Notes**

- 1) The statement pursuant to Section 102 of the Act stating all material facts and the reasons for the proposed resolution is annexed hereto.
- 2) The Notice is being sent by email to all the shareholders, whose names appear on the Register of Members / List of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) on **19<sup>th</sup> June, 2020** (“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, Link Intime India Private Limited (“Link Intime”). A copy of this Notice will also be available on the Company’s website [www.stovec.com](http://www.stovec.com), and at the relevant sections of the websites of the BSE on which the shares of the Company are listed.

**In case of shareholders who have not registered their email address:**

In case the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories, the following instructions to be followed:

- (i). Kindly log in to the website of our RTA, Link Intime India Private Ltd., [www.linkintime.co](http://www.linkintime.co). in under Investor Services > Email/Bank detail Registration - fill in the details and upload the required documents and submit.
  - (ii). Post successful registration of the email, the member would get soft copy of the notice and the procedure for e-voting along with the User ID and Password to enable e-voting for this Postal Ballot. In case of any queries, member may write to [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)
  - (iii). It is clarified that for permanent registration of email address, members are required to register their email addresses, in respect of electronic holdings with their concerned Depository Participants and in respect of physical holdings, with the Company’s Share Transfer Agent i.e. Link Intime India Private Limited, 5th Floor, 506 to 508, Amarnath Business Center –I (ABC-I), Besides Gala Business Center, Nr. St. Xavier’s College Corner, Off. C.G. Road, Navrangpura, Ahmedabad – 380 009, Gujarat, Phone: +91 79 26465179/86/87, Email-[ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in), by following due procedure.
- 3) Members whose names appear on the Register of Members / List of Beneficial Owners as on cut-off date will be considered for the purpose of voting and Voting rights shall also be reckoned on the paid-up value of shares registered in the name of the shareholders as on the cut-off.
  - 4) Resolution passed by the members through postal ballot are deemed to have been passed as if they have been passed at a general meeting of the members.

- 5) In compliance with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) and Sections 108, 110 and other applicable provisions of the Companies Act, 2013, if any, read with the Rules made thereunder and the provisions of the MCA Circulars, the Company is providing facility for voting by electronic means (“remote e-voting”) to all the shareholders of the Company to enable them to cast their votes electronically on the item mentioned in the Notice. For this purpose, the Company has entered into an arrangement with Central Depository Securities Limited for facilitating remote e-voting to enable the shareholders to cast their votes electronically. In terms of the General Circular No.14/2020 dated 8th April 2020 read with General Circular No.17/2020 dated 13th April 2020 issued by the Ministry of Corporate Affairs, Government of India (the “MCA Circulars”), voting can be done only by remote e-voting. As the remote e-voting does not require a person to attend the meeting physically, the members are strongly advised to use the remote e-voting procedure by themselves and not through any other person.
- 6) Once the vote cast by the member on remote evoting, he/she shall not be allowed to change it subsequently or cast the vote again.
- 7) In case a member is desirous of obtaining an email of Postal Ballot, he or she may send an e-mail to [secretarial@stovec.com](mailto:secretarial@stovec.com) or [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in).
- 8) The Scrutinizer will submit his report to the Chairman of the Company (‘the Chairman’) or to any other person authorized by the Chairman after the completion of the scrutiny on remote e-voting. The result of the postal ballot shall be declared within 48 hours of end of e-voting and upon receipts of report of scrutinizer and communicated to the stock exchange, and shall also be displayed on the Company’s website at [www.stovec.com](http://www.stovec.com).
- 9) The last date specified for remote e-voting shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority, as provided under the relevant provisions of the Companies Act, 2013 and the rules made thereunder.

#### **INSTRUCTIONS FOR REMOTE E-VOTING**

THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:

- (i) The voting period begins on **Monday, June 29, 2020 @ 9.00 hours** (IST) and ends on **Tuesday, July 28, 2020 @ 17.00 hours** (IST). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form as on the **cut-off date i.e. Friday, June 19, 2020**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used
- (vii) If you are a first-time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the Sequence Number communicated in the email sent to the shareholders in the PAN Field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Stovec Industries Limited> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your

vote.

- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a Demat account holder has forgotten the login password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also use Mobile app - “m - Voting” for e voting. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).

**(XIX) NOTE FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS:**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). The official designated to address the grievances in this regard will be Mr. Rakesh Dalvi, Manager and can be contacted at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or at 18002005533.

**Explanatory Statement pursuant to Section 102 of the Companies Act, 2013**

**Item No. 1**

M/s. Deloitte Haskins & Sell LLP, Chartered Accountant, Ahmedabad, was appointed statutory auditor of the Company by the members at their AGM held on 11th May, 2017 for a period of 5 years to hold office from the conclusion of 43rd AGM until the conclusion of 48th AGM of the Company to be held in calendar year 2022. M/s. Deloitte Haskins & Sell LLP has resigned on 4<sup>th</sup> June 2020 before completion of its term, from the position of Statutory Auditors acceding to the request of company’s management to resign. The Company is a part of SPGPrints group and SPGPrints has changed auditors at Group level globally, due to which Board has considered change in auditor to streamline audit process and bring in efficiencies from a cost and time perspective. The resignation of Deloitte Haskins & Sell LLP before completion of its term as auditor caused a casual vacancy in the office of Statutory Auditors as

envisaged by section 139(8) of the Companies Act, 2013 and casual vacancy so caused by the resignation of auditors can only be filled up by the Company after taking consent of the members.

The Board, on the basis of recommendation of Audit Committee, proposes that M/s. S R B C & CO LLP, Chartered Accountants, (FRN 324982E/E300003) Ahmedabad, be appointed as the Statutory Auditors of the Company to hold office upto the conclusion of next Annual General Meeting of the Company to fill the casual vacancy caused by the resignation of said M/s. Deloitte Haskins & Sell LLP. M/s. S R B C & CO LLP, Chartered Accountants, have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if approved and made by the members, would be within the limits prescribed under the Companies Act, 2013.

M/s S R B C & CO LLP, (FRN 324982E/E300003), ("the Audit Firm"), is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. The Audit Firm was established in the year 2002 and is a limited liability partnership firm ("LLP") incorporated in India. It has registered office at 22, Camac Street, Kolkata and has 11 branch offices in various cities in India. All the constituent firms of SRB are member firms in India of Ernst & Young Global ('EYG').

The Audit Firm has valid Peer Review certificate and is part of S.R. Batliboi & Affiliates network of audit firms. It is primarily engaged in providing audit and assurance services to its clients.

The Board proposes and recommends the aforesaid resolution for your approval.

None of the Directors / Key Managerial Personnel and their relatives is in any way, concerned or interested in the said resolution.

By Order of the Board of Directors  
For **Stovec Industries Limited**

Sd/-  
Sanjeev Singh Sengar  
**Company Secretary**  
**Membership No. FCS 7835**

Date: June 24, 2020  
Place: Ahmedabad