



## **J. K. COTTON LIMITED**

CIN :U17111UP1924PLC000275

Registered Office :Kamla Tower,Kanpur-208001,Uttar Pradesh, India

Telephone: (0512)2371478-481 Fax: (0512) 2332665

E-mail :harshit@jkcotton.com Web : www.jkcotton.com

---

### **POSTAL BALLOT NOTICE**

[Pursuant to Section 110 of the Companies Act, 2013 and Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014]

**Dear Member(s),**

**NOTICE** is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 and the Secretarial Standard on General Meetings (SS 2) read with the General Circular No. 14/ 2020 dated April 8, 2020 and the General Circular No. 17/ 2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by Companies under the Act and the Rules made thereunder on account of the threat posed by COVID -19" and the General Circular No. 33/2020 dated September 28, 2020 in relation to extension of the framework provided in the aforementioned circulars up to December 31, 2020, issued by the Ministry of Corporate Affairs, Government of India (the "MCA Circulars") and all other applicable rules framed under the Act, including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force and as may be enacted hereinafter, to the members of J.K. Cotton Limited (the "Company"), to consider and, if thought fit, to pass the resolutions set out herein below as Ordinary / Special resolutions by way of a postal ballot (remote e-voting) in accordance with Section 110 of the Companies Act, 2013, for the purpose of seeking approval of the members of the Company to make inter corporate investments, give loans and guarantees to and provide securities in excess of the limits prescribed under Section 186 of the Companies Act, 2013 and for appointment of Managing Director of the Company.

The proposed resolutions along with the Explanatory Statement pursuant to Section 102 of the Act and other applicable legal provisions, pertaining to the said resolutions setting out the material facts and the reasons thereof are also appended. The proposed resolutions and explanatory statement are being sent to you for your consideration.

Due to difficulty in dispatch of the Notice along with the Explanatory Statement and Postal Ballot Form by post or courier, on account of threat posed by COVID- 19 pandemic situation and as permitted under the MCA Circulars, the Company is sending the Notice in electronic form only. In compliance with Sections 108 and 110 of the Act read with the rules framed there under and the MCA Circulars, the Company has extended only the remote e-voting facility for its members, to enable them to cast their votes electronically instead of submitting the postal ballot form. The instructions for remote e-voting are appended to the Notice. The members can vote on resolutions through remote e-voting facility only. Assent or Dissent of the members on the resolutions mentioned in the Notice would only be taken through the remote e-voting system as per the MCA Circulars.

The Board of Directors of the Company has appointed Mr. S.K. Gupta, Practicing Company Secretary (Membership No. FCS: 2589; CP No.: 1920), as the Scrutinizer and Ms. Divya Saxena, Practicing Company Secretary (Membership No. FCS: 5639; CP No. 5352), as the Alternate Scrutinizer for conducting the Postal Ballot (remote e-voting) process in a fair and transparent manner in accordance with the provisions of Rule 22 of the Companies (Management and Administration) Rules, 2014.

In compliance with the provisions of Section 108 and other applicable provisions of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the MCA Circulars, the Company is providing e-voting facility to all the members of the Company. For this purpose, the Company has engaged the services of Central Depository Services Limited to enable the members to cast their votes electronically. Members are requested to read the Notes to this Postal Ballot Notice to exercise their vote through e-voting .

The Scrutinizer will submit the report to the Chairman/Authorized Person of the Company, upon completion of scrutiny of votes cast in a fair and transparent manner and the result of the Postal Ballot will be announced within the statutory timelines. The result of the Postal Ballot will be posted on the Company's website viz. [www.jkcotton.com](http://www.jkcotton.com) and on CDSL website viz; [www.evotingindia.com](http://www.evotingindia.com).

## SPECIAL BUSINESS

**Item No. 1: To make inter corporate investments , give loans and guarantees and to provide securities in excess of the limits prescribed in Section 186 of the Companies Act, 2013**

To consider and, if thought fit, to give Assent / Dissent, to the following Resolution as a Special Resolution:-

**“RESOLVED THAT** pursuant to Section 186 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules, Regulations, Guidelines (including any statutory modifications or re-enactment thereof for the time being in force) and subject to all other requisite approvals, sanctions, permissions, if required from any authority and subject to such conditions or stipulations as may be prescribed or imposed by any of the concerned authorities, the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board” which expression shall include its duly authorized Committee or any individual Director);

- a) to invest / acquire from time to time by way of subscription, purchase, conversion or otherwise Equity Shares, Preference Shares, Debentures (whether Convertible or Non-convertible) or any other financial instruments of one or more Bodies Corporate, whether in India or outside, which may or may not be Subsidiary of the Company;
- b) to make / give from time to time any loan or loans to any Body or Bodies Corporate, whether in India or outside, which may or may not be a Subsidiary, securities of the Company or any other person, body or entity;
- c) to give from time to time any guarantee(s) and / or provide any security(ies), in connection with any loan(s) made, by any other person(s) to, or to any other person(s) by, any Body Corporate, whether in India or outside, which may or may not be a Subsidiary of the Company;

notwithstanding the fact that such loan / guarantee / investment to be so given, provided or made together with the loans / guarantees / investments already given, provided or made may exceed sixty percent of the aggregate of the Paid-up Share Capital and free reserves of the Company or hundred percent of its free reserves, whichever is more provided that the aggregate amount of the investments made, loans

given, guarantees and securities provided shall not at any time exceed Rs. 1,00,00,00,000/- (Rupees One Hundred Crore only)".

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to determine the actual sum or sums to be loaned to and / or guaranteed or invested in the Equity Share Capital or Preference Share Capital or any other Securities of the said Bodies Corporate out of the above limit and to determine the time and manner of making such loans and / or providing guarantees or making such investments and generally to deal with and decide all or any matter arising out of or incidental to the same and to do all such acts, deeds, matters and things for giving effect to this resolution including any change(s), amendment(s) or modification(s) as it may in its absolute discretion deem fit and proper".

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board / Committee be and is hereby authorized to agree, make, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as it may deem fit including the terms and conditions within the above limit up to which such investments in securities / loans / guarantees, that may be given or made, as may be determined by the Board or the Committee thereof, including with the power to transfer / dispose of the investments so made, from time to time, and generally to deal with and decide all or any matter arising out of or incidental to the same and the Board/ Committee is also hereby authorized to resolve and settle all questions, difficulties or doubts that may arise in regard to making such investments, loans and / or providing guarantees or securities and to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental as the Board / Committee in its absolute discretion may deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution and all the actions of the Board in connection with the above be and are hereby ratified and confirmed ."

**Item No. 2: Appointment of Shri Ashok Gupta as a Managing Director of the Company to hold office for a period of one year with effect from 10th November, 2020 upto 9th November, 2021**

To consider and, if thought fit, to give Assent / Dissent, to the following Resolution as an **Ordinary Resolution** :-

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Article 105 of the Articles of Association of the Company, the consent of the Company be and is hereby accorded to the appointment of Shri Ashok Gupta (DIN: 00135288), as a Managing Director of the Company for a period of one year with effect from 10th November, 2020 upto 9th November, 2021 without any payment of remuneration / perquisites from the Company .”

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things, as it may consider necessary, expedient or desirable to give effect to this resolution.”

By Order of the Board  
For J.K. Cotton Limited  
HARSHIT GUNANI

Date : 15th December, 2020

Place : Kanpur

Sd/-  
Company Secretary  
A.C.S 32680

**Notes:**

1. The Explanatory Statement pursuant to Section 102 of the Act and other applicable legal provisions, setting out material facts and reasons in relation to the special business set out in the notice above is annexed hereto.
2. Due to intermittent availability of postal and courier services, on account of threat posed by COVID-19 pandemic situation and in light of the MCA Circulars the Company is sending the Notice electronically to all the members whose e-mail addresses are registered with the Company or with NSDL or with the Company's Registrar and Transfer Agent i.e. Jaykay Enterprises Limited (“JEL”), and expresses its inability to dispatch hard copy of the Notice

along with postal ballot form and postage prepaid self-addressed business reply envelope to the members. The process for registration of email addresses is as under:

- a. In light of the MCA Circulars, members who have not registered their email address and in consequence could not receive the remote e-voting notice may temporarily get their email address registered with the JEL, through email at [prabhat.mishra@jaykayenterprises.com](mailto:prabhat.mishra@jaykayenterprises.com) and [harshit@jkcotton.com](mailto:harshit@jkcotton.com) and follow the registration process as guided thereafter. Post successful registration of the email address, the member would get soft copy of the Notice and the procedure for remote e-voting along with the user ID and password to enable remote e-voting for this postal ballot. In case of any queries, members may write to [investorservices@jkcement.com](mailto:investorservices@jkcement.com).
  - b. It is clarified that for permanent registration of email address, members are requested to register their email addresses, in respect of electronic holdings with NSDL and in respect of physical holdings with Jaykay Enterprises Limited having its office at Kamla Tower, Kanpur by following due procedure.
  - c. Those members who have already registered their email addresses are requested to keep their email addresses validated with their National Securities Depository Limited ("NSDL") / JEL to enable servicing of notices and documents electronically to their email address.
3. The Notice is being sent to / published / displayed for all the members, whose names appear in the Register of Members / list of beneficial owners as received from National Securities Depository Limited ("NSDL") on Friday, 11th December, 2020, which will be considered as a cut-off date for the purposes of remote e-voting. A person who is not a member as on the aforesaid date should treat this Notice for information purposes only.
  4. The voting rights of the members shall be in proportion to their share in the paid-up share capital of the Company as on the cut-off date i.e. Friday, 11th December, 2020.
  5. The Board of Directors of the Company has appointed Mr. S.K. Gupta, Practicing Company Secretary (Membership No. FCS: 2589, CP No. 1920) as the Scrutinizer and Ms. Divya Saxena, Practicing Company Secretary (Membership No. FCS: 5639, CP No. 5352) as the Alternate Scrutinizer to conduct the process of the Postal Ballot in a fair and transparent manner ("Scrutinizer").

6. The resolution passed by the members through postal ballot shall be deemed to have been passed as if the same has been passed at a General Meeting of the Members of the Company.
7. The Notice has also been placed on the website of the Company: [www.jkcotton.com](http://www.jkcotton.com) and CDSL evoting website: <https://www.evotingindia.com> and will also be available on the website of the Jaykay Enterprises Limited, Registrar and Share Transfer Agents of the Company [www.jaykayenterprises.com](http://www.jaykayenterprises.com).
8. A member cannot exercise his vote by proxy on Postal Ballot. All members are requested to cast their votes only through remote e-voting as per the procedure provided herein.
9. Pursuant to the provisions of Sections 108, 110 and other applicable provisions, if any, of the Act read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, MCA Circulars and any other applicable provisions, if any, the Company has extended remote e-voting facility to enable the members to cast their votes electronically through the remote e-voting services provided by CDSL. The remote e-voting facility will be available during the following period:

Commencement of remote e-voting	From 9:00 A.M.(IST) on Monday, 21 <sup>st</sup> December, 2020
End of remote e-voting	Upto 5:00 P.M. (IST) on Tuesday, 19th January, 2021

The remote e-voting module shall be disabled by CDSL for voting at 5:00 P.M. (IST) on Tuesday, 19th January, 2021. Once the vote on the resolution is cast by a member, he or she will not be allowed to change it subsequently.

10. E-Voting procedure:

- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on Shareholders.
- (iii) 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.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from [Login - Myeasi](#) using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) 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

(vi) If you are a first time user follow the steps given below:

PAN	<p><b>For Members holding shares in Demat Form and Physical Form</b></p> <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use in the PAN field the first two characters of their name in CAPITAL letters e.g. If your name is Ramesh Kumar then enter RA followed by the Serial Number given in the email.</p>
Dividend Bank Details <b>OR</b> 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> <p>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) above.</p>

(vii) After entering these details appropriately, click on "SUBMIT" tab.



- (viii) Members holding shares in physical form will then reach directly 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 remote 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name > on which you choose to vote.
- (xi) 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
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the login/changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xviii) 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 a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be emailed 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.

(xx) 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).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

For Physical shareholders- please provide necessary details like 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 **Company/RTA email id at [harshit@jkcotton.com](mailto:harshit@jkcotton.com) or [investorservices@jaykayenterprises.com](mailto:investorservices@jaykayenterprises.com) respectively.**

For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), 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 **Company/RTA email id at [harshit@jkcotton.com](mailto:harshit@jkcotton.com) or [investorservices@jaykayenterprises.com](mailto:investorservices@jaykayenterprises.com) respectively.**

11. Subject to and in compliance with, the directions / notifications issued by the Central / State Government(s) / relevant authorities on account of COVID-19 pandemic, all relevant documents referred to in the Explanatory Statement are available for inspection at the Registered office of the Company on all working days up to Tuesday, 19th January, 2021. In the event a member is unable to inspect any document at the registered office of the Company, such member may write to the Company Secretary of the Company at [harshit@jkcotton.com](mailto:harshit@jkcotton.com) requesting supply of relevant documents referred in the explanatory statement. Further, any query in relation to the resolution proposed to be passed by postal ballot may be addressed to the Company Secretary of the Company at [harshit@jkcotton.com](mailto:harshit@jkcotton.com).

The Scrutinizer will submit his report to the Chairman / Authorised person of the Company, after completion of the scrutiny of votes cast. The Chairman / Authorised person of the Company shall declare the results of the Postal Ballot on or before Friday, 22<sup>nd</sup> January, 2021. The results along with the Scrutinizer's report will also be posted on the websites of the Company i.e., [www.jkcotton.com](http://www.jkcotton.com), CDSL i.e., [https:// www.evotingindia.com](https://www.evotingindia.com). Subject to, and in compliance with, the directions/notifications issued by the Central/ State Government(s)/relevant authorities on account of COVID-19 pandemic, the Company will also display the results at its registered office. The resolutions, if passed by the requisite majority, shall be deemed to have been passed on the last date specified for remote e-voting i.e., Tuesday, 19th January, 2021.

**ANNEXURE TO THE NOTICE**

**EXPLANATORY STATEMENT AND REASONS FOR THE PROPOSED RESOLUTION PURSUANT TO SECTION 102 READ WITH SECTION 110 OF THE COMPANIES ACT, 2013**

**ITEM NO. 1:**

As per the provisions of Section 186 of the Companies Act, 2013 the Board of Directors of a Company may with the approval of Shareholders of the lending or investing Company accorded by Special Resolution make any loan, investment or give guarantee or provide any security beyond the prescribed ceiling of sixty per cent of the aggregate of the Paid-up Capital and free reserves or hundred per cent of its free reserves, whichever is more.

The Company in the course of its business may make any loans, investments or give guarantees or provide any securities to other Bodies Corporate including its Subsidiaries, Associates and Joint Venture Companies, other persons and entities which may exceed the prescribed ceiling of sixty per cent of the aggregate of the Paid-up Capital and free reserves or hundred per cent of its free reserves, whichever is more. With a view to empower the Board of Directors of the Company to make such loans, investments or give guarantees or provide securities from time to time, it is proposed to have enabling approval from the members up to an aggregate amount not exceeding Rs. 100,00,00,000/- (Rupees One Hundred Crore only)".

The Board recommends the proposed resolution for approval by the members.

None of the Directors and Key Managerial Personnel of the Company and their relatives may be considered as concerned or interested financially or otherwise in the resolution except to the extent of making investments, giving loans and / or providing guarantees or securities to the Bodies Corporate in which they may be directly or indirectly interested.

**ITEM No. 2:**

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 10th November, 2020 approved the appointment of Shri Ashok Gupta (DIN 00135288) as Managing Director of the Company for a period of one year with effect from 10th November, 2020 upto 9th November, 2021 without any remuneration. Shri Ashok Gupta is already serving the Company as Non-Executive Director since eight years. Shri Ashok Gupta is already holding the position of Managing Director of Jaykay Enterprises Limited.

As per Article 95 of the Articles of Association of the Company, Shri Ashok Gupta, Managing Director, whilst holding office as Managing Director shall not be subject to retirement by rotation. He will not be entitled to any remuneration and sitting fees. The Board of Directors considered various aspects, inter-alia, including technical qualification of Shri Ashok Gupta, his vast experience, his devotion to the Company's affairs and hence, recommends the resolution for your approval.

None of the Directors and / or Key Managerial Personnel and their relatives except Shri Ashok Gupta himself and his relatives may be deemed to be concerned or interested in the Resolution.

As required under the Secretarial Standard on General Meetings (SS-2), the relevant details in respect of the appointee are as under:

<b>Name of the Director</b>	<b>Shri Ashok Gupta</b>
<b>DIN</b>	00135288
<b>Date of Birth</b>	06-06-1953
<b>Nationality</b>	INDIAN
<b>Date of Appointment on the Board</b>	25-10-2012
<b>Qualification</b>	BBM & FCA
<b>Expertise in Specific functional area</b>	Qualified Chartered Accountant having more than 3 decades of experience in the field of Accounts and Finance.
<b>Terms and conditions of appointment or re-appointment</b>	Managing Director, not liable to retire by rotation
<b>Number of shares held in the Company</b>	Nil
<b>List of the directorship held in other Companies*</b>	(1) Jaykay Enterprises Limited, (2) Khandelwal Extractions Limited
<b>Number of Board Meeting attended during the year</b>	4
<b>Chairman/ Member in the Committees of the Boards of Companies in which he is Director</b>	<b>Jaykay Enterprises Limited</b> Audit Committee – Member  <b>Khandelwal Extractions Limited</b> Audit Committee – Chairman

By Order of the Board  
For J.K. Cotton Limited  
HARSHIT GUNANI

Sd/-

Company Secretary  
**A.C.S 32680**

Date : 15th December, 2020

Place : Kanpur