



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 and 108 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, 108 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", the General Circular No. 33/2020 dated September 28, 2020 and the General Circular No. 39/2020 dated December 31, 2020 in relation to extension of the framework provided in the aforementioned circulars up to June 30, 2021, 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 increase the Authorised Share Capital of the Company and consequent alteration in the Memorandum of Association of the Company, to make contribution for charitable and other funds, increase in overall limit of managerial remuneration, appointment of Shri Abhishek Singhanian as Managing Director of the Company and approval of Scheme of loan to Managing and Whole - time Directors 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 and on CDSL website viz; www.evotingindia.com.

SPECIAL BUSINESS

Item No. 1: To approve Increase in Authorised Share Capital of the Company

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 13, 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or reenactment thereof for the time being in force), read with Articles of Association of the Company, the existing Authorised Share Capital of the Company amounting to Rs. 70,00,00,000/- divided into 2,45,00,000, Equity Shares of Rs. 10/- each, 45,25,000, 6% Non-Cumulative Redeemable Preference Shares of Rs. 100/- each and 25,000, 8.5% Non-Cumulative Redeemable Preference Shares of Rs. 100/- each be and is hereby increased to Rs. 95,50,00,000/- divided into 5,00,00,000, Equity Shares of Rs. 10/- each, 45,25,000, 6% Non-Cumulative Redeemable Preference Shares of Rs. 100/- each and 25,000, 8.5% Non-Cumulative Redeemable Preference Shares of Rs. 100/- each by creation of 2,55,00,000, Equity Shares of Rs. 10/- each.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps and to do all such other acts, deeds, matters and things and to settle any question, difficulty or doubt that may arise in regard to the said resolution and to give such directions as may be deemed necessary or expedient to give effect to the above resolution.”

Item No. 2: Approval for Alteration in Capital Clause of Memorandum of Association of the Company

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

“RESOLVED THAT pursuant to Section 13 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) the existing clause 5 of the Memorandum of Association of the Company be and is hereby altered by deleting the same and substituting in its place and stead the following new clause:

5. The Authorised Share Capital of the Company is Rs. 95,50,00,000/- (Rupees Ninety Five Crores Fifty Lacs only) divided into 5,00,00,000 (Five Crores) Equity Shares of Rs. 10/- (Rupees Ten only) each, 45,25,000 (Forty Five Lacs Twenty Five Thousand), 6% Non-Cumulative Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred only) each and 25,000 (Twenty Five Thousand), 8.5% Non-Cumulative Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred only) each with the power to increase or reduce the Capital of the Company and to divide the share in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company and permitted by the Act.

“RESOLVED FURTHER THAT the Board of the Company be and is hereby authorised to take such steps and to do all such other acts, deeds, matters and things and to settle any question, difficulty or doubt that may arise in regard to the said resolution and to give such directions as may be deemed necessary or expedient to give effect to the above resolution.”

Item No. 3: To contribute to Charitable and other Funds exceeding the limits prescribed under the Companies Act, 2013

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 Section 181 and other applicable provisions, if any, of the Companies Act, 2013 read with the relevant rules, circulars, notifications, if any, made or issued thereunder (including statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force), and subject to such other approvals, consents or permissions of appropriate authorities as may be necessary, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ‘Board’ which expression shall be deemed to include a ‘Committee’ as may be constituted by the Board for the purpose) to contribute, donate, subscribe or otherwise provide assistance from time to time to any bona fide charitable, social, benevolent and other funds, body, university, institute, society, trust, etc. for charitable and other purposes in any financial year upto a total amount not exceeding Rs. Ten Crore (Rupees Ten Crores only) notwithstanding that the amount of contribution so made may exceed five percent of the average net profits of the company for the three immediately preceding financial years

RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all such acts, deeds, matters and things as may be required to give effect to this resolution and the matters incidental and ancillary thereto and all acts of the Board in connection with the matter as above be and are hereby confirmed and ratified.”

Item No. 4: To increase the total overall limit of remuneration payable to the Managerial Personnel of the Company

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

“**RESOLVED THAT** in accordance with the provisions of Section 197, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company and subject to such other approvals, sanctions or permissions from appropriate authorities as may be necessary, approval of the Members of the Company be and is hereby accorded to increase the individual and overall limit of managerial remuneration payable to the managerial personnel and other Directors of the Company from the Financial Year 2021-22 onwards notwithstanding that the remuneration so paid may exceed the limits laid down under Section 197(1) read with Schedule V of the Companies Act, 2013.”

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

Item No. 5: Appointment of Shri Abhishek Singhania (DIN:00087844) as Managing Director of the Company for a period of three years with effect from 1st April, 2021 to 31st March, 2024

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and Schedule V and all other applicable provisions of the Companies Act, 2013, (“Act”), read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-

enactment (s) thereof, for time being in force) and all Guidelines , Circulars and Notifications on managerial remuneration issued by the Central Government from time to time, Articles of Association of the Company and such other consent(s), permission(s) or approval(s) as may be required from appropriate authorities, approval of the members of the Company be and is hereby accorded to the appointment of Mr. Abhishek Singhania (DIN:00087844) as Managing Director of the Company for a period of three years with effect from 1st April, 2021 on the following terms and conditions including remuneration as approved by the Board of Directors of the Company on the recommendations of the Nomination and Remuneration Committee.

Basic Salary	Rs.11,00,000/- p.m
Scale	Rs.11.00 Lacs – 1.5 Lacs – 14.00 Lacs
Special Allowance	Rs.3,00,000/- p.m.
Medical Allowance @ 5% of Basic	Rs.55,000 /- p.m.
Commission	Not exceeding 2% of Net Profits of the Company as may be decided by the Board for each financial year.
Perquisites :	Perquisites shall be evaluated as per the Income-Tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.
Gratuity	As per Company Rules
Encashment of Unavailed Leave	
Leaves	
Leave Travel Concession	Leave Travel Concession for self and family once in a year to any place in India or abroad
Telephone and Mobile	Mobile and basic telephone at residence (including payment for local calls and long distance official calls)
Club Fees	Reimbursement of Annual Membership of two Clubs and reimbursement of club bills. Life Membership would not be allowed.
Car	Company maintained two vehicles with Drivers for Official Work.

OTHER BENEFITS:

A. The Company shall reimburse all out of pocket expenses, entertainment and travelling expenses actually and properly incurred by the Managing Director in connection with the Company's business.

B. The Company shall undertake Mediclaim with adequate pecuniary Coverage (for treatment in India and Abroad). However, if the coverage is found to be inadequate and /or Mediclaim is impermissible, the Managing Director shall be entitled to reimbursement of

Medical Expenses incurred in India or abroad including hospitalization and surgical charges for self and family and travel relating thereto, without any ceiling limit.”

The following perquisites however shall not be included in the computation of the ceiling on remuneration:

- i. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;
- ii. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- iii. Encashment of leave at the end of the tenure.”

“RESOLVED FURTHER THAT where in any financial year during the currency of tenure of Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay to Managing Director, remuneration by way of Salary, Perquisites and benefits as specified above, notwithstanding that such remuneration may exceed the limits laid down under Section 197 read with Schedule V and other applicable provisions of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board of Directors of the Company on the recommendations of the Nomination and Remuneration Committee be and is hereby authorised to alter, vary and modify the terms and conditions of appointment of Shri Abhishek Singhanian from time to time, during the tenure of his appointment as Managing Director of the Company including salary, perquisites and other benefits , subject to the applicable provisions of the Companies Act, 2013 and Rules framed thereunder.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to settle any questions, doubts or difficulties and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution without being required to seek further approval of the members and the approval of the members of the company shall be deemed to have been given thereto expressly by the authority of this resolution.”

Item No. 6: Approval of Scheme of loan for Managing and Whole Time Directors

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

“RESOLVED THAT pursuant to Section 185 and all other applicable provisions of the Companies Act, 2013 and Rules made there under as may be amended, from time to time, approval of Members of the

Company be and is hereby accorded to a Scheme of giving loans to its Managing Director and Whole-Time Directors salient features whereof as set out in the Explanatory Statement annexed to this Postal Ballot Notice, a copy whereof is available for inspection of members which shall be deemed to form part hereof in accordance with the terms and conditions as prescribed by the Board of Directors/ Nomination and Remuneration Committee.

“RESOLVED FURTHER THAT the Board of Directors/ Nomination and Remuneration Committee of the Company be and is hereby authorized to approve the amount of the loan to be provided to the Managing Director and Whole Time Directors in one or more tranches, fix the tenure of such loan and to prescribe such other conditions and formalities, as may be necessary and incidental in relation to the operationalization of such scheme and generally to do all acts, deeds and things as may be deemed necessary or expedient in connection therewith and incidental thereto.”

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

Date : 14th June, 2021

Place : Kanpur

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 businesses 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 and 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.
 - 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, 18th June, 2021, 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, 18th June, 2021.
 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 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.
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 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, 28 th June, 2021
End of remote e-voting	Upto 5:00 P.M. (IST) on Tuesday, 27 th July, 2021

The remote e-voting module shall be disabled by CDSL for voting at 5:00 P.M. (IST) on Tuesday, 27th July, 2021. Once the vote on the resolution is cast by a member, he or she will not be allowed to change it subsequently.

10. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

11. 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.

Individual Shareholders holding securities in demat mode with NSDL	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) 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. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to 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 e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<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. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use 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. CDSL and NSDL

Login type	Helpdesk details
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 helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
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 evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

12. Login method for e-Voting for shareholders other than individual shareholders holding in Demat form & physical shareholders:

- (i) The shareholders should log on to the e-voting website 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 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>For Members holding shares in Demat Form other than individual and Physical Form</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 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> <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 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.
- 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 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, under help section or write an email to 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 or call on 022-23058542/43.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- a. 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 or investorservices@jaykayenterprises.com respectively.**
 - b. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
 - c. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
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, 27th July, 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 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.

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, 30th July, 2021. The results along with the Scrutinizer's report will also be posted on the websites of the Company i.e., 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, 27th July, 2021.

ANNEXURE TO THE NOTICE

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

ITEM NO. 1 and 2:

The present status of the Authorised, Issued, Subscribed and Paid up Share Capital of the Company is as under:

Particulars	Equity Share Capital	Preference Share Capital
Authorised Capital	2,45,00,000 Equity Shares of Rs. 10/- each amounting to Rs. 24,500,00,000/-.	45,25,000, 6% Non-Cumulative Redeemable Preference Shares of Rs. 100/- each amounting to Rs. 45,25,00,000/- and 25,000, 8.5% Non-Cumulative Redeemable Preference Shares of Rs. 100/- each amounting to Rs. 25,00,000/-.
Issued, Subscribed and Paid up Capital	2,35,77,750 Equity Shares of Rs. 10/- each amounting to Rs. 23,57,77,500/-.	43,66,000, 6% Non-Cumulative Redeemable Preference Shares of Rs. 100/- each amounting to Rs. 43,66,00,000/-

The Company is contemplating further issue of share capital and in order to accommodate fresh issue of equity shares, it is proposed to increase the Authorised Share Capital of the Company from Rs. 70,00,00,000/- (Rupees Seventy Crores) divided into 2,45,00,000, Equity shares of Rs. 10/- each, 45,25,000, 6% Non Cumulative Redeemable Preference Shares of Rs. 100/- each and 25,000, 8.5% Non Cumulative Redeemable Preference Shares of Rs. 100/- each to Rs. 95,50,00,000/- (Rupees Ninety Five Crores Fifty Lacs) divided into 5,00,00,000, Equity shares of Rs. 10/- each, 45,25,000, 6% Non Cumulative Redeemable Preference Shares of Rs. 100/- each and 25,000, 8.5% Non Cumulative Redeemable Preference Shares of Rs. 100/- each by creation of 2,55,00,000 Equity Shares of Rs. 10/- each as provided in resolution placed at Item No. 1 of the Notice. As a result of the above, the relevant capital clause of the Memorandum of Association of the Company is required to be altered which is sought to be effected by passing of Resolution at Item No. 2 of the Notice.

The Board recommends the proposed resolution for approval by the members

None of the Directors / Key Managerial Personnel of the Company is concerned or interested in the proposed resolution except to the extent the securities that may be offered and allotted to them, their relatives and concerns in which they are directly or indirectly interested.

A Copy of the Memorandum of Association of the Company together with the proposed changes is available for inspection of Members at the Registered Office of the Company from 2.00 P.M. to 5.00 P.M. on all working days (except Saturday) until the last date of casting of votes by remote e-voting.

ITEM No. 3:

Your Company would like to contribute, donate, subscribe or otherwise provide assistance from time to time to any bona fide charitable, social, benevolent and other funds, body, university, institute, society, trust, etc. for charitable and other purposes. In terms of the provisions of Section 181 of the Companies Act, 2013, any amount contributed to any charitable and other funds in excess of five percent of the Company's average net profits during the three immediately preceding financial years need prior approval of the Members of the Company. It is, therefore, necessary to obtain the approval of the Members of the Company for the contributions to be made by the Company in excess of the limits prescribed under the said section. Approval of the Members is now being sought pursuant to Section 181 of the Companies Act, 2013, authorising the Board of Directors of the Company to make contributions in any financial year for a total amount of upto Rs. 10 Crores which may exceed the limit of five percent of the Company's average net profits of the three immediately preceding financial years. The Board recommends the resolution set forth in Item No. 3 for the approval of the Members.

None of the Directors / Key Managerial Personnel of the Company or their relatives is concerned or interested directly or indirectly in the proposed resolution.

ITEM No. 4:

As per Section 197 of the Companies Act, 2013 read with the Companies (Amendment) Act, 2017, which came into force with effect from 12th September, 2018, the total managerial remuneration payable by a Company to its Directors, including Managing Director and Whole-time Director and its Manager in any Financial Year may exceed 11% (eleven percent) and remuneration payable to any one Whole-time Director or Managing Director may exceed 5% of the Net Profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013 provided the same is approved by the Members of the Company with requisite majority by means of passing of the special resolution.

The Companies (Amendment) Act, 2017 has done away the requirement of seeking approval of Central Government for both increasing the overall limit of remuneration in excess of 11% of Net Profits of the Company for the Financial year, and the limit for payment of remuneration to any one Whole-time Director or Managing Director in excess of 5% of Net Profits of the Company.

Accordingly, based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company in its meeting held on 25th March, 2021 considered the proposal in the context of the Company's performance and profitability and decided to seek the approval of the shareholders by means of a special resolution so that remuneration may be paid beyond the individual and overall limit of managerial remuneration payable i.e. 5% and 11% respectively of the Net Profits of the Company

calculated as per the provisions of Section 198 of the Companies Act, 2013 as prescribed and permitted under Section 197 of the Companies Act, 2013 so as to ensure the remuneration presently being payable to the managerial personnel complies with the provisions of the Act.

The Board recommends the resolution set forth in Item No. 4 for the approval of the Members.

None of the Directors / Key Managerial Personnel except Shri Abhishek Singhania, Managing Director of the Company or their relatives is concerned or interested directly or indirectly in the proposed resolution

ITEM No. 5:

Based upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its Meeting held on 25th March, 2021 appointed Shri Abhishek Singhania (DIN:00087844) as Managing Director of the Company to hold office for a period of 3 (Three) Years with effect from 1st April, 2021, subject to the approval of Members at the General Meeting on the terms and conditions of appointment which are in accordance with the provisions of the Companies Act, 2013 read with Schedule V and rules made thereunder.

Shri Abhishek Singhania having rich and varied business experience and the Board considers that his appointment as a Managing Director of the Company would immensely benefit the Company.

Shri Abhishek Singhania is not disqualified from being appointed as a Managing Director in terms of Section 164 of the Act.

As per Article 95 of the Articles of Association of the Company, Shri Abhishek Singhania, Managing Director, whilst holding office as Managing Director shall not be subject to retirement by rotation. He will be entitled to the remuneration as stated in the special resolution.

In the event of inadequacy of profits calculated as per Section 198 of the Companies Act, 2013 in any Financial Year during the tenure of appointment, Shri Abhishek Singhania, Managing Director shall be entitled to remuneration comprising salary, perquisites and benefits as stated in the resolution as minimum remuneration.

The Board of Directors recommends the resolution for your approval.

None of the Directors and / or Key Managerial Personnel except Shri Abhishek Singhania himself and their 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:

Name of the Director	Abhishek Singhania		
DIN	DIN-00087844		
Date of Birth	06.04.1973		
Nationality	Indian		
Date of Appointment on the Board	25.03.2021		
Qualification	Graduate in Commerce		
Expertise in Specific functional area	<p>Shri Abhishek Singhania (DIN-00087844) is the co-founder & has served as Managing Director of JK Technosoft Ltd ('JKT') and leads the company's global operations together with the Board and Management Team.</p> <p>He has served as Special Executive in J.K. Cement Ltd. looked after Corporate Affairs at H.O. level till 31st March, 2021</p>		
Terms and conditions of appointment or re-appointment	As stated in the special resolution		
Number of shares held in the Company	67,48,484 equity shares (28.62%) 30,84,720 Preference Shares (70.40%)		
List of the directorship held in other Companies*	1. Jaykay Enterprises Limited 2. J. K. Traders Limited 3. Manphul Trading and Finance Company Private Limited 4. J K Technosoft Limited 5. Udbhav Finance and Investment Company Private Limited 6. Dwarkadhish Finance and Investment Company Private Limited 7. PGA Securities Private Limited 8. Nebula3d Services Private Limited 9. Merchants Chamber of Uttar Pradesh 10. Uttar Pradesh Cricket Association 11. Diensten Tech Limited 12. Neumesh Labs Private Limited		
Number of Board Meeting attended during the year	One meeting of the Board of Directors of the company was attended by Shri Abhishek Singhania after his appointment as a Director with effect from 25 th March, 2021.		
Chairman/ Member in the Committees of the Boards of Companies in which he is Director	Member	Nomination and Remuneration Committee	JK Technosoft Limited
	Member	Stakeholders Relationship Committee	Jaykay Enterprises Limited

STATEMENT PURSUANT TO CLAUSE (B) OF SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013

I. GENERAL INFORMATION

(i)	Nature of Industry	Real Estate			
(ii)	Date of commencement of Commercial Production	The Company is in operation since 1924.			
(iii)	Financial Performance based on given indicators	Particulars	F.Y 2017-18 (Rs. in Lacs)	F.Y 2018-19 (Rs. In Lacs)	F.Y. 2019-20 (Rs. In Lacs)
		Turnover	5708.40	1484.58	2308.29
		Net Profit	-8.56	464.49	10.79
(iv)	Foreign investments or collaboration, if any	NIL			

II. INFORMATION ABOUT THE APPOINTEE:

(i)	Background details	<p>Shri Abhishek Singhania (DIN-00087844) is a Director and promoter of the Company. He is the co-founder & has served as Managing Director of JK Technosoft Ltd ('JKT') and scion of one of the best-known business families of India. He leads the company's global operations together with the Board and Management Team.</p> <p>Earlier in his career, he worked with global companies such as American Express. He then gained invaluable experience within JK Organization companies, handling various aspects of JK businesses, managing business units and operations as well as spearheading successful national and international expansion programs. He acquired rich experience in management of global operations before setting up JK Technosoft. He has served as Special Executive in J.K. Cement Ltd. looking after Corporate Affairs at H.O. level.</p> <p>He is an alumnus of Modern School, Delhi and Kanpur University.</p>
(ii)	Past remuneration	Not Applicable
(iii)	Recognition or rewards	None
(iv)	Job Profile and his suitability	Shri Abhishek Singhania as Chairman and Managing Director has been looking after the overall affairs and operations of the Company guiding the supervision and control of the Board of Directors. He is involved in policy planning, vision and strategy and long term development activities of the Company. His vision is to diversify into various projects and to create value for the stakeholders.
(v)	Remuneration proposed	As stated in the special resolution at Item No.4 of this Notice.

(vi)	Comparative remuneration profile of the Industry	The remuneration as proposed of Shri Abhishek Singhania is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company and diverse nature of its businesses.
(vii)	Pecuniary relationship directly or indirectly with the Company or relationship with the Managerial Personnel, if any	Shri Abhishek Singhania holds 67,48,484 Equity Shares (28.62%) of the Company and except for the payment of remuneration and receipt of rent, he does not have any other pecuniary relationship with the Company.

III. OTHER INFORMATION:

(i)	Reasons of loss or inadequate profits	As per Audited Balance Sheet of the Company as on 31.03.2020, the Company incurred a Net Loss (before Tax) amounted to Rs. 4.81 Crores primarily due to Loss from Discontinued Operations amounting to Rs. 12.72 Crores. Further, the Company has carried forward losses to the tune of Rs. 93.14 Crores as on 31.03.2020, which are likely to be set off against profits of the coming years. The proposed remuneration, therefore exceed the ceiling mentioned in the Section-II Part-II of Schedule V.
(ii)	Steps taken or proposed to be taken for improvements	The Company has embarked on a series of strategic and operational measures that are expected to result in the improvement in the present position. The inherent strengths of the Company, especially its reputation is also expected to enable the Company to position itself during adversities. The Company has also strategically planned to address the issue of productivity and increase profits and has put in place measures to reduce cost and improve the bottom-line.
(iii)	Expected increase in productivity and profits in measurable terms	It is expected that during current financial year the turnover and profitability of the Company will improve significantly in the coming years considering the present performance and future outlook.

IV DISCLOSURES

The Shareholders of the Company are duly informed of the remuneration package of Shri Abhishek Singhania, Managing Director of the Company.

The resolution alongwith the accompanying Explanatory Statement may be treated as memorandum of terms of his appointment within the meaning of Section 190 of the Companies Act, 2013.

ITEM No. 6:

In compliance with Section 185 and all other applicable provisions of the Companies Act, 2013 and Rules made there under as may be amended from time to time, Company intends to introduce a Loan Scheme for its Managing Director and Whole time Directors .

The Board of Directors of the Company at their meeting held on March 25, 2021 has approved the scheme of loan and authorised the Nomination and Remuneration Committee to formulate the same, including specifying the maximum amount of loan that can be given in compliance with the provisions of the Companies Act, 2013 and all applicable laws in one or more tranches, the loan tenure and such other terms and conditions as may be necessary.

Salient features of the Loan Scheme is given below:

i) Purpose: To enable the Managing Director / Whole time Directors to seek unsecured Loan assistance from the Company based on their request to meet the urgent liquidity requirement, under the provisions of the Companies Act, 2013.

ii) Amount of loan: Upto Five Crores Rupees.

iii) Rate of Interest: Nil

iv) Recovery: In not more than 24 monthly instalments.

v) Loan can be allowed in one or more tranches. Loan will be released based on written requirement.

The sanction of the loan to the Managing Director/Whole time Directors will also be at the sole discretion of the said Committee and the said scheme shall be reviewed by the Board of Directors from time to time.

A Copy of the Scheme is available for inspection of Members at the Registered Office of the Company from 2.00 P.M. to 5.00 P.M. on all working days (except Saturday) until the last date of casting of votes by remote e-voting.

The Board of Directors recommends passing of the said Resolution.

None of the Directors and / or Key Managerial Personnel except Shri Abhishek Singhania, Managing Director who may be beneficiary under the Scheme or their relatives may be deemed to be concerned or interested in the Resolution.

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

Sd/-

Company Secretary

Mem. No. ACS 32680

Date : 14th June, 2021

Place : Kanpur