



J. K. COTTON LIMITED

CIN: U17111UP1924PLC000275

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

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POSTAL BALLOT NOTICE

[Pursuant to Section 110 read with Section 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 read with Section 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. 20/2021 dated December 08, 2021 (in continuation to the Ministry of Corporate Affairs’ General Circular No. 14/ 2020 dated April 8, 2020, 17/ 2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021), in relation to “Clarification on passing of Ordinary and Special resolutions by the companies under the Companies Act, 2013 read with rules made thereunder on account of COVID -19 Extension of timeline-reg.” 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 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 for:

1. Issuance of 7,50,000 6% Non-Convertible Redeemable Preference Shares of Rs. 100/- each (NCRPS) to M/s. J. K. Traders Limited on Private Placement Basis;
2. Approval of the appointment of M/s. KMG & Co., Chartered Accountants, as Management Consultants and for holding of Office or Place of Profit in the Company; and
3. Approval of the appointment of Mr. Sanjay Kumar Jain (DIN:01014176) as Whole-time Director, designated as Director – Strategy & Finance of the Company for a period of three years with effect from 1st October, 2021 to 30th September, 2024 and of the terms of appointment.

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 Section 108 read with Section 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 form part of 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 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 Issue of 7,50,000 6% Non-Convertible Redeemable Preference Shares of Rs. 100/- each (NCRPS) to M/s. J. K. Traders Limited on Private Placement Basis and in this regard 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 23, 42, 55 and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Share Capital and Debentures) Rules, 2014, Companies (Prospectus and Allotment of Securities) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the enabling provisions of the Memorandum and Articles of Association of the Company and any other applicable laws for the time being in force and subject to all necessary approvals, permissions and sanctions as may be required from any Governmental or Regulatory Authority and subject to such condition(s) and modification(s) as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as ‘the Board’ which term shall be deemed to include any ‘Committee’ which the Board may constitute to exercise the powers conferred by this resolution), the consent and approval of the Company be and is hereby accorded to the Board to create, offer, issue and allot in one or more tranche(s) 7,50,000, 6%, Non-Convertible Redeemable Preference Shares (hereinafter referred to as the ‘NCRPS’ or the ‘Preference Shares’) of the face value of Rs. 100/- each with aggregate nominal value of Rs. 7,50,00,000/- (Rupees Seven Crores Fifty Lakhs only) to M/s J. K. Traders Limited, a Company belonging to Promoter Group, on private placement basis, inter-alia on the following terms and conditions:

1. **Issue Price:**

NCRPS of the face value of Rs. 100/- each shall be issued for cash at par.

2. **Rate of Dividend:**

NCRPS shall be Non-Cumulative and carry fixed rate of dividend @ 6% per annum on the capital for the time being paid-up thereon.

3. **Conversion:**

NCRPS shall not have the option of conversion into Equity shares or any other security.

4. **Tenure & Redemption Terms:**

NCRPS shall at the option of Board be redeemable at the expiry of Twenty (20) years from the date of allotment or at such earlier time as may be agreed between the Company and the holder of NCRPS and such redemption shall be at par and in accordance with the provisions of the Act and Rules made thereunder.

5. **Priority with respect to payment of dividend or repayment of capital:**

NCRPS shall carry a preferential right vis-à-vis Equity shares of the Company with respect to the payment of dividend and repayment of capital during winding up.

6. **Participation in Surplus Assets and Profits:**

NCRPS shall in the event of winding up of the Company be entitled to rank, as regards repayment of capital and dividend, in priority to the Equity shares but shall not be entitled to any further participation in profits or assets or surplus fund.

7. **Voting Rights:**

The voting rights of the persons holding the NCRPS shall be in accordance with the provisions of Section 47 of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force).

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or expedient and to settle any question, difficulty or doubt that may arise in regard to the issue, offer and allotment of NCRPS and all matters incidental, consequential and connected therewith including but not limited to the variation in the terms and conditions of issue without being required to seek further approval of members of the company and the approval of members of the company shall be deemed to have been accorded thereto expressly by the authority of this resolution .”

Item No. 2:

To approve the appointment of M/s. KMG & Co., Chartered Accountants, as Management Consultants and for holding of Office or Place of Profit in the Company and in this regard 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 188 and all other applicable provisions of Companies Act, 2013 read with Companies (Meetings of the Board and its Powers) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force, the approval of the Company be and is hereby accorded to the Appointment of M/s. KMG & Co. (FRN-003653C), Chartered Accountants, Kanpur, a Firm in which Mr. Vikas Garg (DIN: 09365431), Director of the Company is a Partner for holding of an office or place of profit in the Company as Management Consultants for a period of three years with effect from April 1, 2022 on a monthly Professional Fees of Rs. 4,00,000/- (Rupees Four Lakhs Only) and GST at applicable rates.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the above matter and to execute all documents and writings as may be necessary to give effect to this resolution.”

Item No. 3:

To approve the appointment of Mr. Sanjay Kumar Jain (DIN:01014176) as Whole-time Director, designated as Director – Strategy & Finance of the Company for a period of three years with effect from 1st October, 2021 to 30th September, 2024 and approval of the terms of appointment and in this regard 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 members of the Company be and is hereby accorded to the appointment of Mr. Sanjay Kumar Jain (DIN: 01014176) as a Whole-time Director of the Company and designated as “Director – Strategy & Finance” for a period of three years with effect from 1st October, 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.2,50,000/- p.m
HRA	Rs.1,00,000/- p.m.
Other Allowance	Rs.46,667/- p.m.
Entertainment Allowance	Rs.25,000 /- p.m.
Special Allowance	Rs.25,000 /- p.m.
Medical:	Rs.12,500 /- p.m.
Gratuity	As per Company Rules
Provident Fund	
Encashment of Unavailed Leave	
Leaves	
Leave Travel Allowance	8,333/- p.m.
Allowance towards Mediclaim	Rs.2,500 /- p.m.

OTHER BENEFITS:

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

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 the Director – Strategy & Finance, the Company has no profits or its profits are inadequate, the Company shall pay to the Director – Strategy & Finance, 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 Mr. Sanjay Kumar Jain from time to time, during the tenure of his appointment 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 thereto by the authority of this resolution."

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

Date : 14th January, 2022

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/CDSL or with the Company's Registrar and Transfer Agent i.e. Alankit Assignments Limited ("RTA"), 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 Company, through email at harshit.gunani@jkorg.co.in 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 rta@alankit.com and harshit.gunani@jkorg.co.in.
 - 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/CDSL and in respect of physical holdings with Alankit Assignment Limited having its office at 4E/2, Jhandewalan Extension, New Delhi - 110055 and to the Company at its Registered 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 Depository i.e. National Securities Depository Limited ("NSDL") / Central Depository Services Limited ("CDSL")/ RTA 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 the Depository i.e. National Securities Depository Limited ("NSDL") / Central Depository Services Limited ("CDSL") on Friday, 14th January, 2022, 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, 14th January, 2022.
 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>.
 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 Section 110 read with Section 108 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 Sunday, 16 th January, 2022
End of remote e-voting	Upto 5:00 P.M. (IST) on Monday, 14 th February, 2022

During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (Record Date) of Friday, 14th January, 2022 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting at 5:00 P.M. (IST) on Monday, 14th February, 2022. 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 CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration
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	<p>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 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. 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 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
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

11. 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" module.
- (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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- (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 e-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	For Shareholders holding shares in Demat Form (other than individual) and Physical Form Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	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. 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 (iii) above.

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

(viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.

- (ix) For Shareholders 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 a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvi) 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.
- (xvii) Facility for Non – Individual Shareholders and Custodians –Remote Voting
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - 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 linked in the login 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.

- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at their respective email address viz; harshit.gunani@jkorg.co.in and skgupta1903@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

(xviii) If you have any queries or issues regarding e-Voting, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. 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.

(xix) 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.gunani@jkorg.co.in or rta@alankit.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.

(xx) 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 Monday, 14th February, 2022. 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.gunani@jkorg.co.in requesting supply of relevant documents referred in the explanatory statement. Further, any query in relation to the resolutions proposed to be passed by postal ballot may be addressed to the Company Secretary of the Company at harshit.gunani@jkorg.co.in.

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 after receipt of scrutinizer's report. 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>. 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., Monday, 14th February, 2022.

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:

The Board of Directors of the Company at its meeting held on 14th January, 2022 accorded in-principle approval for buy-back Equity Shares from the existing Equity Shareholders of the Company on proportionate basis out of proceeds of fresh issue of Preference Shares to be made for the purpose of buy-back. Hence, it is proposed to Issue and Allot 7,50,000, 6% Non-Convertible Redeemable Preference Shares of Rs. 100/- each ('NCRPS' or 'Preference Shares') of the Company on Private Placement basis to meet the requirement of funds for the aforesaid Buy Back and also for general corporate purposes. The Special Resolution set out at item No. 1 of the Notice is intended to seek Members' approval empowering the Board of Directors of the Company to issue the said Preference Shares to M/s. J. K. Traders Limited, a Company belonging to Promoter Group and in both the Companies (i.e. J. K. Cotton Limited and J. K. Traders Limited) Shri Abhishek Singhania is the Director & Promoter whereas Shri Vedang Hari Singhania is a Director. The disclosure of relevant information as required under Rule 9 (3) of the Companies (Share Capital and Debentures) Rules, 2014 and the terms of issue of Preference shares are as under:

a) The size of the issue and number of Preference Shares to be issued and nominal value of each share	:	7,50,000, 6% Non-Convertible, Non-Cumulative Redeemable Preference Shares(NCRPS) of the Nominal value of Rs. 100/- each aggregating to Rs. 7,50,00,000/- (Rupees Seven Crore Fifty Lakhs) only.
b) The nature of such shares i.e. cumulative or non-cumulative, participating or non-participating, convertible or non-convertible.	:	Non-Cumulative, Non-participating and Non-Convertible.
c) The objectives of the issue	:	To meet the requirements of funds for buy-back of Equity shares and also for general corporate purposes
d) The manner of issue of shares	:	Preference shares are proposed to be issued on private placement basis to M/s. J. K. Traders Limited in one or more tranche(s).

e)	The price at which such shares are proposed to be issued	:	Preference shares will be issued at par value of Rs. 100/- each.
f)	The basis on which the price has been arrived at		Issue and redemption of Preference Shares will be made at par value.
g)	The terms of issue and rate of dividend on each share, etc.	:	The Preference shares shall be Non-Convertible, Non-Cumulative and carry dividend @ 6% per annum on the paid up value of Preference Shares, if declared, which would be payable on pro rata basis from the date of allotment.
h)	The terms of redemption, including the tenure of redemption, redemption of shares at premium and if the preference shares are convertible, the terms of conversion.	:	Preference shares shall be redeemed at par value at the expiry of 20 years from the date of allotment or at such earlier date at the option of Board as may be agreed between the Company and the holder of NCRPS and such redemption shall be at par and in accordance with the provisions of the Act and Rules made thereunder.
i)	The manner and modes of redemption	:	Preference Shares will be redeemed out of profits available for distribution as dividend and/or proceeds of fresh issue of shares made for the purpose of redemption in accordance with the provisions of Section 55 of the Companies Act, 2013
j)	The current Shareholding Pattern of the Company	:	Pre and post issue Shareholding Pattern of the Company in respect of Equity and Preference Share Capital is provided hereinafter.
k)	Expected dilution in Equity Share Capital upon conversion	:	No dilution in Equity Share Capital is envisaged as Preference Shares proposed to be issued are Non-convertible.

SHAREHOLDING PATTERN – EQUITY SHARE CAPITAL

SL. No.	Category	Pre-Issue		Post Issue	
		No. of Shares held	% of Shareholding	No. of Shares held	% of Shareholding
A.	Promoters' Holding				
1.	Indian :				
	Individual	28284099	58.52	28284099	58.52
	Bodies Corporate	9696228	20.06	9696228	20.06
	Any other	-	-	-	-
	Sub-Total	37980327	78.58	37980327	78.58
2.	Foreign Promoters (NRI)	11547	0.02	11547	0.02
	Sub-Total (A)	37991874	78.60	37991874	78.60
B.	Non-Promoters' holding				
1.	Institutional Investors	105881	0.22	105881	0.22
2.	Non-Institution:				
	Bodies Corporate	9143426	18.92	9143426	18.92
	Directors and Relatives	5	0.00	5	0.00
	Indian Public	1048492*	2.17	1048492*	2.17

	Others(Individuals, trusts & Societies)	44710	0.09	44710	0.09
	Sub-Total (B)	10342514	21.40	10342514	21.40
	GRAND TOTAL(A+B)	48334388	100.00	48334388	100.00

**Includes 200 Equity shares held by a Public Shareholder on which call of Rs. 9/- Per Share (Comprising Rs. 1 towards nominal value and Rs. 8 towards securities premium) is in arrears.*

SHAREHOLDING PATTERN– PREFERENCE SHARE CAPITAL (Comprising of All Series)

Sl. No.	Category	Pre-Issue		Post Issue *	
		No. of Shares held	% of Shareholding	No. of Shares held	% of Shareholding
A.	Promoters' Holding				
1.	Indian :				
	Individual	-	-	-	-
	Bodies Corporate	-	-	7,50,0000	100.00
	Sub-Total	-	-	7,50,0000	100.00
2.	Foreign Promoters	-	-	-	-
	Sub-Total (A)	-	-	7,50,0000	100.00
B.	Non-Promoters' holding				
1.	Institutional Investors	-	-	-	-
2.	Non-Institution:				
	Bodies Corporate	-	-	-	-
	Directors and Relatives	-	-	-	-
	Indian Public	-	-	-	-
	Others(Individuals, trusts& Societies)	-	-	-	-
	Sub-Total (B)	-	-	-	-
	GRAND TOTAL(A+B)	-	-	7,50,0000	100.00

Further, as required under Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, additional disclosures for issue of preference shares on private placement basis are as follows:

(a)	Particulars of the offer including date of passing of Board resolution	The Board of Directors of the Company at its meeting held on January 14 ,2022 approved the issuance 7,50,000, 6% NCRPS of nominal value Rs. 100/- each aggregating to Rs. 7,50,00,000/- (Rupees Seven Crore Fifty Lakhs Only) to M/s. J. K. Traders Limited, on private placement basis.
(b)	Kinds of securities offered and the price at which security is being offered	The Company proposes to issue Non-cumulative, Non-convertible, Non-participating Redeemable Preference shares at nominal value of Rs.100/- per share for cash at par

(c)	Basis or justification for the price (including premium, if any) at which the offer or invitation is being made	The NCRPS will be issued at par. However, the coupon rate is fixed on arm's length basis of equivalent tier debt financing.
(d)	Name and address of valuer who performed valuation	Not Applicable
(e)	Amount which the Company intends to raise by way of such securities	The Company intends to raise up to Rs. 7,50,00,000 (Rupees Seven Crore fifty Lakhs Only) by way of issue of NCRPS.
(f)	Material terms of raising such securities, proposed time schedule, purposes or objects of offer, contribution being made by the promoters or directors either as part of the offer or separately in furtherance of object	NCRPS are proposed to be issued to M/s. J. K. Traders Limited on the terms and conditions as specified supra on private placement basis.

The Board recommends the Special Resolution as set out at item No. 1 of the Notice for approval by members of the Company.

None of the Directors and Key managerial personnel of the Company except Shri Abhishek Singhania (Director & Promoter of J. K. Cotton Limited as well as the Allottee Company) and Shri Vedang Hari Singhania (Director of J. K. Cotton Limited as well as the Allottee Company) and his relatives may be deemed to be concerned financially or otherwise, in the resolution.

ITEM NO. 2:

The Company had engaged M/s. KMG & Co., Chartered Accountants, Kanpur for providing Management Consultancy Services w.e.f. October 1, 2021 for a period of six months i.e. till March 31, 2022. Subsequently, the Board of Directors of the Company at its meeting held on October 30, 2021 appointed Mr. Vikas Garg as an additional Director (in professional category) of the Company who is also the Partner of M/s. KMG & Co., Chartered Accountants, Kanpur. Since, the said engagement of Consultancy Services of M/s. KMG & Co., Chartered Accountants, Kanpur will expire on March 31, 2022 and being renewed for a period of three years with effect from, April 1, 2022 and Mr. Vikas Garg, Director of the Company is a Partner in the said Firm, such renewal will tantamount to holding of an office or place of profit in the Company as a Management Consultant.

Further, Mr. Vikas Garg is Director of the Company and the Consultancy firm is a related party within the meaning of Section 2(76) of the Companies Act, 2013 as such the proposed arrangement will fall within the purview of related party transaction. Although the said transaction is on an arm's length basis, as a good governance, the approval of Shareholders under the provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder is being sought by way of intended resolution. The relevant disclosures pursuant to Rule 15(3) of the Companies (Meetings of the Board and its Powers) Rules, 2014 are as under:

Name of Related party	M/s. KMG & Co., Chartered Accountants, 3/225A, Vishnupuri, Kanpur
Name of Director(s) or KMP who is related	Mr. Vikas Garg (DIN 09365431)
Nature of relationship	Mr. Vikas Garg is Non-Executive Director is a Partner of M/s. KMG & Co., Chartered Accountants, Kanpur
Particular of Agreement	It is proposed to engage the Consultancy Services of M/s. KMG & Co., Chartered Accountants, Kanpur having specialization in the areas of Accounts, Taxation and Financial Advisory for providing Management Consultancy Services.
Terms and conditions	It is proposed to pay a Consultancy fees of Rs. 4,00,000/- Lacs per month and applicable tax at applicable rates. Other terms and conditions as mutually decided by the Company.

Your Directors recommend the resolution for the approval of members.

None of the other Directors of the Company except Mr. Vikas Garg himself, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the aforesaid resolution.

ITEM No. 3:

Based upon the recommendation of the Nomination and Remuneration Committee at its Meeting held on 1st October, 2021, the Board of Directors of the Company at its Meeting held on 30th October, 2021 appointed Mr. Sanjay Kumar Jain (DIN: 01014176) as Director – Strategy & Finance of the Company to hold office for a period of 3 (Three) Years with effect from 1st October, 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.

Mr. Sanjay Kumar Jain is a renowned Chartered Accountant and has a vide experience of 31 years in Corporate Finance and Investor Relations and has worked in Agribusiness, Media and Alcobev sectors. and the Board considers that his appointment as a Director – Strategy & Finance of the Company would immensely benefit the Company.

Mr. Sanjay Kumar Jain is not disqualified from being appointed as a Whole Time Director in terms of Section 164 of the Act.

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, Mr. Sanjay Kumar Jain, Director – Strategy & Finance 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 Mr. Sanjay Kumar Jain 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	Mr. Sanjay Kumar Jain																								
DIN	DIN-01014176																								
Date of Birth	27-10-1966																								
Nationality	Indian																								
Date of Appointment on the Board	29.06.2021																								
Qualification	B Com (Hons) from Shriram College of Commerce, Delhi – 1987 Chartered Accountancy – 1990; Diploma in Business Finance – ICFAI -1992																								
Expertise in Specific functional area	Mr. Sanjay Kumar Jain has a wide experience of 31 years in Corporate Finance and Investor Relations and has worked in Agribusiness, Media and Alcobev sectors. He has been Director at Taj Capital Partners Pvt. Limited since August 2005. Formerly started his career in 1990 from JM financial & Investment Consultancy Services Ltd. New Delhi; after that joined Ranbaxy Laboratories Limited, Price water house Coopers Limited. Between 2000-2005, he worked with Rabobank India (Subsidiary of Rabobank, Netherlands), New Delhi and was Director & Head Relationship Management, North India, Local Corporates & Government Group. He also worked as financial advisor to New Delhi Television Ltd. (NDTV) and Consultant to Warburg Pincus (Private Equity).																								
Terms and conditions of appointment or re-appointment	<p>Appointment as Director – Strategy & Finance of the Company for a period of three years with effect from 1st October, 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:</p> <table> <tr> <td>Basic Salary</td><td>Rs.2,50,000/- p.m.</td></tr> <tr> <td>HRA</td><td>Rs.1,00,000/- p.m.</td></tr> <tr> <td>Other Allowance</td><td>Rs. 46,667/- p.m.</td></tr> <tr> <td>Entertainment Allowance</td><td>Rs. 25,000 /- p.m.</td></tr> <tr> <td>Special Allowance</td><td>Rs. 25,000 /- p.m.</td></tr> <tr> <td>Medical:</td><td>Rs. 12,500 /- p.m.</td></tr> <tr> <td>Gratuity</td><td>As per Company Rules</td></tr> <tr> <td>Provident Fund</td><td>As per Company Rules</td></tr> <tr> <td>Encashment of Unavailed Leave:</td><td>As per Company Rules</td></tr> <tr> <td>Leaves</td><td>: As per Company Rules</td></tr> <tr> <td>Leave Travel Allowance</td><td>: Rs. 8,333/- p.m.</td></tr> <tr> <td>Allowance towards Mediclaim</td><td>: Rs. 2,500 /- p.m.</td></tr> </table> <p>OTHER BENEFITS:</p> <p>The Company shall reimburse all out of pocket expenses, entertainment and travelling expenses actually and properly incurred by the Director – Strategy & Finance in connection with the Company's business.</p> <p>The following perquisites however shall not be included in the computation of the ceiling on remuneration:</p> <p>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;</p>	Basic Salary	Rs.2,50,000/- p.m.	HRA	Rs.1,00,000/- p.m.	Other Allowance	Rs. 46,667/- p.m.	Entertainment Allowance	Rs. 25,000 /- p.m.	Special Allowance	Rs. 25,000 /- p.m.	Medical:	Rs. 12,500 /- p.m.	Gratuity	As per Company Rules	Provident Fund	As per Company Rules	Encashment of Unavailed Leave:	As per Company Rules	Leaves	: As per Company Rules	Leave Travel Allowance	: Rs. 8,333/- p.m.	Allowance towards Mediclaim	: Rs. 2,500 /- p.m.
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Leaves	: As per Company Rules																								
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Allowance towards Mediclaim	: Rs. 2,500 /- p.m.																								

	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."
Number of shares held in the Company	NIL
List of the directorship held in other Companies*	1. Shree Shubham Logistics Limited 2. Taj Capital Partners Private Limited 3. PGA Securities Private Limited 4. Sarth Agbev And Energy Private Limited 5. B.G.K. Infrastructure Developers Private Limited 6. Tinna Rubber and Infrastructure Limited
Number of Board Meeting attended during the year	None
Chairman/ Member in the Committees of the Boards of Companies in which he is Director	None

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. 2018-19 (Rs. In Lacs)	F.Y. 2019-20 (Rs. In Lacs)	F.Y. 2020-21 (Rs. In Lacs)
		Turnover	1484.58	2308.29	6586.91
		Net Profit	464.49	10.79	2515.67
(iv)	Foreign investments or collaboration, if any	NIL			

II. INFORMATION ABOUT THE APPOINTEE:

(i)	Background details	Mr. Sanjay Kumar Jain has a wide experience of 31 years in Corporate Finance and Investor Relations and has worked in Agribusiness, Media and Alcobev sectors.
(ii)	Past remuneration	Not Applicable
(iii)	Recognition or rewards	None
(iv)	Job Profile and his suitability	Mr. Sanjay Kumar Jain has been Director at Taj Capital Partners Pvt. Limited since August 2005. Formerly started his career in 1990 from JM financial & Investment Consultancy Services Ltd. New Delhi; after that joined Ranbaxy Laboratories Limited, Price water house Coopers Limited. Between 2000-2005, he worked with Rabobank India (Subsidiary of Rabobank, Netherlands), New Delhi and was Director & Head Relationship Management, North India, Local Corporates & Government Group. He also worked as financial advisor

		to New Delhi Television Ltd. (NDTV) and Consultant to Warburg Pincus (Private Equity).
(v)	Remuneration proposed	As stated in the special resolution at Item No.3 of this Notice.
(vi)	Comparative remuneration profile of the Industry	The remuneration as proposed of Mr. Sanjay Kumar Jain 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	None

III. OTHER INFORMATION:

(i)	Reasons of loss or inadequate profits	As per Audited Balance Sheet of the Company as on 31.03.2021, the Company earned a Net Profit (before Tax) amounting to Rs. 33.34 Crores. But as the Company has carried forward losses to the tune of Rs. 67.99 Crores as on 31.03.2021, which are likely to be set off against profits of the coming years. The proposed remuneration, therefore is likely to 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 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 Mr. Sanjay Kumar Jain, Director – Strategy & Finance 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.

By Order of the Board
For J.K. Cotton Limited
HARSHIT GUNANI
Sd/-
Company Secretary
Mem. No. ACS 32680

Date : 14th January, 2022
Place : Kanpur