

# JINDAL COTEX LIMITED

REGD. OFFICE: VPO JUGIANA, G.T. ROAD, LUDHIANA-141420  
Ph: 0161-6603555 Fax: 0161-2510843, CIN NO: L17115PB1988PLC021084  
Website: www.jindalcotex.com; Email: cs@jindalcotex.com



## **NOTICE OF POSTAL BALLOT PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013**

Dear Members,

**NOTICE** is hereby given pursuant to section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being enforce) to the members of Jindal Cotex Limited (hereinafter referred to as 'the Company) to seek the their approval by way of Postal Ballot for the proposals contained in the draft resolutions as given below:-

- (i) Approval to borrow in excess of the paid-up share capital and free reserves of the Company pursuant to Section 180 (1) (c) and other applicable provisions of the Companies Act, 2013.
- (ii) Approval to create charge/mortgage over the properties of the company pursuant to Section 180 (1) (a) and other applicable provisions of the Companies Act, 2013.
- (iii) Approval to make investment in securities under section 186 of the Companies Act, 2013.

### **Proposed Resolutions:-**

#### **Item No. 1**

Approval to borrow in excess of the paid-up share capital and free reserves of the Company pursuant to Section 180 (1) (c) and other applicable provisions of the Companies Act, 2013.

To Consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

**“RESOLVED THAT** in supersession of earlier resolution passed under Section 293(1) (d) of the Companies Act, 1956 at an Extra Ordinary General Meeting of the Company held on 26<sup>th</sup> April, 2010 and pursuant to Section 180 (1) (c) and other applicable provisions of the Companies Act, 2013, if any, including any statutory modification(s)/ amendment(s)/ revision(s) thereof or any other law, as may be applicable, consent be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof) for borrowing, from time to time, at its discretion, on such terms and conditions as to repayment, interest or otherwise, any sum or sums of monies which, together with the money already borrowed by the Company, apart from temporary loans obtained from the Company’s bankers in the ordinary course of business upto a limit of Rs. 750.00 crores (Rupees Seven hundred and fifty Crores) over and above the paid-up capital and free reserves of the Company.”

**“RESOLVED FURTHER** that the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required”.

#### **Item No. 2**

Approval to create charge/mortgage over the properties of the company pursuant to Section 180 (1) (a) and other applicable provisions of the Companies Act, 2013.

To Consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

**“RESOLVED THAT** in supersession of earlier resolution passed under Section 293(1) (a) of the Companies Act, 1956 at an Extra Ordinary General Meeting of the Company held on 26<sup>th</sup> April, 2010 and pursuant to Section 180 (1) (a) and other applicable provisions of the Companies Act, 2013, if any,

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including any statutory modification(s)/ amendment(s)/ revision(s) thereof or any other law, as may be applicable, consent be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof), to sell, lease, mortgage or otherwise dispose of whole or substantially the whole of the undertaking of the Company or to create such mortgages/charges/hypothecation and/or other encumbrances, in addition to the existing mortgages, charges, hypothecation and other encumbrances, if any, created by the Company on all or any part of the immovable and/or movable properties, current and/or fixed assets, tangible or intangible assets, stock, book debts and/or claims of the Company where so ever situate, present and future, in favour of Financial Institutions, Banks or other Lending Institution(s) and/or to such other persons, if any, from whom the Company has proposed or proposes to borrow money/sums of moneys from time to time in terms of agreement(s) entered/to be entered into by the Board of Directors of the Company within the overall borrowing limits fixed pursuant to Section 180(1)(c) of the Companies Act, 2013."

**"RESOLVED FURTHER** that the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required".

### Item No. 3

Approval to make investment in securities under section 186 of the Companies Act, 2013.

To Consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 186 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment thereof for the time being enforce) and the Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) for acquiring whether by way of subscription, purchase or otherwise, the securities of any other body corporate including subsidiaries, associates upto an aggregate amount of Rs. 200.00 crores.

**"RESOLVED FURTHER** that the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required".

**By Order of the Board of Directors  
For Jindal Cotex Limited  
Sd/-**

**Place: Ludhiana  
Date: 14.08.2014**

**(Sandeep Jindal)  
Managing Director**

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## NOTES:

1. Explanatory Statement, pursuant to the provision of Section 102 of the Companies Act, 2013, setting out material facts are appended hereto.
2. The Company has appointed M/s Harsh Goyal & Associates, Company Secretaries, as Scrutinizer for conducting the postal ballot process, in a fair and transparent manner.
3. The votes should be cast either in favour of or against by putting the tick mark in the column provided for assent or dissent. Postal Ballot Form bearing tick in both the columns will render the form invalid.
4. The Notice of postal ballot is being sent to all the Members, whose names appear in the Register of Members as on 15<sup>th</sup> August, 2014.
5. In compliance with provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the listing agreement, the Company is pleased to offer e-voting facility to the members as an alternative to enable them to cast their vote. For this purpose, the Company has entered into agreement with CDSL for facilitating e-voting to enable shareholders to cast their vote electronically instead of dispatching Postal ballot Form, E-voting is optional.
6. The Notice is being sent by e-mail to those members who have registered their e-mail address with the company or with their Depository Participants. Members who have not registered their e-mail address will receive this notice along with form through post.
7. **The instructions for shareholders voting electronically are as under:**
  - (i) The voting period begins on Friday, 29<sup>th</sup> August, 2014, 10:00 A.M. and ends on Saturday, 27<sup>th</sup> September, 2014, 05:00 P.M.. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, 15<sup>th</sup> August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iii) Click on Shareholders.
  - (iv) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (v) Next enter the Image Verification as displayed and Click on Login.
  - (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
  - (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the <b>folio/client id</b> number in the PAN field.</li><li>• In case the <b>folio</b> number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with <b>folio</b> number 1 then enter RA00000001 in the PAN field.</li></ul>

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DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"><li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares in the Dividend Bank details field.</li></ul>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Jindal Cotex Limited on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password& enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create 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 mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

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## In case of members receiving the physical copy:

8. The voting period begins on Friday, 29<sup>th</sup> August, 2014, 10:00 A.M. and ends on Saturday, 27<sup>th</sup> September, 2014, 05:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 15<sup>th</sup> August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter
9. M/s Harsh Goyal & Associates, Company Secretaries have been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall make a report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
10. Members are requested to read the instructions printed on the reverse of the postal ballots Form and return the form duly completed in the attached self-addressed and postage prepaid envelope so as to reach the Scrutinizer 27.09.2014 at the following address:-

**Scrutinizer  
C/o Jindal Cotex Limited,  
VPO Jugiana, G. T. Road,  
Ludhiana- 141017**

11. The Results shall be declared on 30<sup>th</sup> September, 2014. The results declared alongwith the Scrutinizer's report shall be placed on the Company's website www.jindalcotex.com and on the website of CDSL within 2 (two) working days of the receipt of scrutinizer report at the Registered office of the Company and will be communicated to the Stock Exchanges.

**By Order of the Board of Directors  
For Jindal Cotex Limited  
Sd/-**

**Place: Ludhiana  
Date: 14.08.2014**

**(Sandeep Jindal)  
Managing Director**

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH SECTION 110 OF THE COMPANIES ACT, 2013**

### **ITEM NO. 1 & 2**

Pursuant to Section 293 (1) (a) and 293(1) (d) of the Companies Act, 1956 the members at their meeting held on 26<sup>th</sup> April, 2010 approved to borrow as well as to create such charges, mortgages and hypothecations on such movable and immovable properties, both present and future and in such manner as the Board may deem fit.

Now, as per the provisions of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of the company cannot, except with the consent of the company in general meeting, borrow monies, apart from temporary loans obtained from the company's bankers in the ordinary course of business, in excess of the aggregate of the paid up capital and free reserves of the company, that is to say, reserves not set apart for any specific purpose.

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In view of the requirement of funds to meet the cost of the company's capital expenditure and also for working capital requirements of the company, the Board of Directors feels that it will be necessary for the company to raise monies from various sources which may exceed the existing the aggregate of the paid up capital and free reserves of the company. The consent of the shareholders is therefore, sought in accordance with the provisions of section 180(1)(c) of the Companies Act, 2013, to enable the Board of Directors to borrow monies subject to a limit of Rs. 750.00 crores (Rs. Seven hundred and fifty crores), in excess of the aggregate of the paid up capital and free reserves of the company.

The proposed borrowings of the company may, if necessary, have to be secured by way of mortgage/charge on immoveable properties and/or moveable properties of the company both present and future as may be agreed to with the concerned financial institutions/banks or the relevant party concerned.

Since the mortgage/charge/hypothecation to be created as aforesaid may attract the provisions of section 180(1)(a) of the Companies Act, 2013, it is advisable to obtain the approval of the members under the provisions of the above section of the said Act.

The Board recommends the resolutions set forth in Item No. 1&2 above for approval of the members. None of the Directors or Key Managerial Personnel (KMP) or their relatives is in any way concerned or interested in the proposed resolutions.

## **ITEM NO. 3**

The Board of Directors of a company has been permitted to make investment in the securities of other bodies corporate to the extent 60% of its paid up share capital and free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is higher, in terms of section 186 of the Companies Act, 2013, from time to time for business purposes.

Section 186 provides that where the aggregate of investment made exceed the prescribed limits, prior approval of the members by way of a special resolution is required.

Considering the business operations and future growth plans of the company which would require making investments in the securities of others bodies corporate including subsidiaries, associates, over a period of time, exceeding 60% of its paid up share capital and free reserves and securities premium account or 100% of its free reserves and securities premium account, it is necessary to empower the Board to acquire by way of subscription, purchase or otherwise, the securities of any other body corporate upto an aggregate amount of Rs. 200.00 crores.

The Board recommends the resolutions set forth in Item No. 3 for approval of the members. None of the Directors or Key Managerial Personnel (KMP) or their relatives is in any way concerned or interested in the proposed resolutions.

**By Order of the Board of Directors  
For Jindal Cotex Limited  
Sd/-**

**Place: Ludhiana  
Date: 14.08.2014**

**(Sandeep Jindal)  
Managing Director**

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## POSTAL BALLOT FORM

1. Name and Registered Address :  
of Sole/First named Shareholder /  
Member/beneficial owner
2. Name(s) of Joint Holder(s), if any :
3. DP ID No. /Client ID No. / Registered Folio :  
No.
4. Nos. of shares held :
5. I/we hereby exercise my/our vote in respect of the Special Resolution to be passed through Postal Ballot for the business stated in the notice dated 14<sup>th</sup> August, 2014 of the Company by sending my/our assent or dissent to the said Resolution by placing the tick mark (✓) mark in the appropriate box below.

Description of the Resolution	Number of Shares for which votes cast	I/we assent to the Resolution	I/we dissent to the Resolution
<b>Item No. 1.</b> Special Resolution under Section 180(1) (c) of the Companies Act, 2013 authorizing the Board of Directors to exercise borrowing powers of the Company.			
<b>Item No. 2.</b> Special Resolution under Section 180(1)(a) of the Companies Act, 2013 authorizing the Board of Directors to mortgage and/ or create any charge on immovable and/or movable properties of the Company.			

Place:

Date:

\_\_\_\_\_  
Signature

EVSN (E-Voting Sequence No.)	USER ID	PASSWORD

**Note:**

- a) Kindly read the instructions printed overleaf before filling the form.
- b) Last date for receipt of Postal Ballot Forms by Scrutinizer is 27<sup>th</sup> September, 2014.

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## INSTRUCTIONS:

1. A member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send to the Scrutinizer in the enclosed self-addressed and postage pre-paid Envelope. No postage is required, however envelopes containing Postal Ballots, if sent through courier or registered post at the expense of or deposited at the address given herein by the registered member will also be accepted.
2. The voting rights of the members shall be in proportion to their shares in the total paid-up equity share capital of the company as on 15<sup>th</sup> August, 2014.
3. The self addressed pre paid envelope bears the address of the Scrutinizer appointed by the Board of Directors of the Company.
4. The Form should be completed and signed by the sole/first named shareholder. In the absence of the first named shareholder in a joint holding, the form may be completed and signed by next named shareholder. (However, where the form is sent separately by the first named shareholder and joint holder(s), the vote of first named shareholder would be valid)
5. Duly completed form should reach scrutinizer on or before 05.00 P.M. on 27<sup>th</sup> September, 2014. All forms received after this date will be treated as if reply from the shareholders has not been received.
6. There will be only one postal ballot form for every folio irrespective of the number of joint Shareholder
7. In case of shares held by Companies, Trusts etc the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution/Authority, with signatures of Authorized Signatories.
8. Members are requested not to send any other matter along with Postal Ballot Form in the enclosed Postage Prepaid envelope. If any extraneous papers are found, the same will be destroyed by the Scrutinizer.
9. Incomplete, unsigned or incorrectly filled Postal Ballot Forms are subject to rejection by the Scrutinizer.
10. The votes should be cast either in favour of or against by putting the (√) mark in the column provided for assent or dissent. Postal Ballot Forms bearing tick mark in both the column will render the form and vote contained therein invalid.