JINDAL COTEX LTD.

REGD. OFFICE: VPO JUGIANA, G.T. ROAD, LUDHIANA-141 420.

NOTICE

NOTICE is hereby given that the Thirteenth Annual General Meeting of the Members of **JINDAL COTEX LIMITED** will be held at the Registered Office of the Company at V.P.O. Jugiana, G.T. Road, Ludhiana on Tuesday, the 28th September, 2010 at 10:00 A.M. to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the company as at 31st March, 2010 and profit & Loss Account for the year ended on that date together with the reports of the Directors and Auditors thereon.

2. To appoint a director in place of Shri Yash Paul Jindal who retires by rotation and being eligible offers himself for re-appointment.

3. To appoint a director in place of Shri Vipan Kumar Mittal who retires by rotation and being eligible offers himself for re-appointment.

4. To appoint a director in place of Shri Madan Lal Arora who retires by rotation and being eligible offers himself for re-appointment.

5. To appoint Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. M/s. Aggarwal Garg & Co., Chartered Accountants, the retiring Auditors are eligible for reappointment.

SPECIAL BUSINESS

6. To consider, and if thought fit, to pass with or without modifications(s) the following resolution as a special resolution:

   "Resolved that pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 1956, and subject to such other approvals as may be necessary, the consent of the members of the company be and is hereby accorded to vary the terms of prospectus dated 04.09.2009 to the extent of substituting Phase II of the expansion project with a new textile project as may be decided by the Board."

7. To consider, and if thought fit, to pass with or without modifications(s) the following resolution as a special resolution:

   "Resolved that pursuant to the provisions of Section 198, 269, 309 read together with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and in accordance with the recommendations and approval of the remuneration committee of the Board of Directors, the consent of the members of the company be and is hereby accorded to the re-appointment and payment of remuneration to Sh. Sandeep Jindal, as Managing Director of the company for a period of three years w.e.f. 1st October, 2010 at a monthly remuneration of Rs. 2,50,000/- including perquisites, if any.

Resolved further that Sh. Sandeep Jindal shall also be eligible to the following benefits which shall not be included in the computation of the ceiling on remuneration:

- 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,
- gratuity payable at a rate not exceeding half a month's salary for each completed year of service and,
- encashment of leave at the end of tenure.

Resolved further that the Board of Directors be and is hereby authorised to vary, increase, expand or enhance the scope of remuneration and perquisites to the extent to which they may be enhanced, enlarged, widened, altered or varied in accordance with any provisions regarding payment of managerial remuneration under the companies Act, 1956 together with any amendments effected in further from time to time and that the terms and conditions as specified above be suitably amended to give effect to the same subject to the approval of the members."

By order of the Board
For Jindal Cotex Limited

(Sandeep Jindal)
Managing Director

Place : Ludhiana
Date : 12.08.2010

NOTES FOR THE MEMBER'S ATTENTION

a. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to vote on his/her behalf at the meeting. The proxy need not be a member of the company. The proxy in order to be effective must be deposited at the Registered Office of the Company at least 48 hours before the time for the meeting. The blank Proxy form is enclosed.

b. The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, 24th September, 2010 to Tuesday, 28th September, 2010 (both days inclusive).

c. Members desiring any other information on the Annual Accounts are requested to write to the Company at its Registered Office at least 10 days before the date of Annual General Meeting so as to enable the Management to keep the information ready at the meeting.

d. Members are requested to bring their copy of Annual Report alongwith them to the Annual General Meeting.

e. Explanatory Statement pursuant to the provisions of Section 173(2) of the Companies Act, 1956 for Items No.6 and 7 of the notice is annexed.

f. The relevant details regarding the Directors seeking reappointment in the Annual General Meeting as proposed in Item Nos. 2 to 4 and 7 of the notice as required by Clause 49 of the Listing Agreement is also being annexed here to separately and forms part of the notice.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT, 1956

For Item No. 6

The Company came out with a Public Issue in terms of prospectus dated 04-09-2009. As per the objects of the issue, the expansion project of the company has been divided into two phases. In first phase, 28800 spindles were to be implemented and in the second phase, the following were proposed to set up:-

- Expansion of the cotton yarn manufacturing capacity by adding further 21600 spindles.
- Setting up yarn dyeing facilities with the capacity of 6TPD.
- Setting up of a Garment Unit with the capacity of 3,000 pcs per day.

The company has successfully implemented Phase-I comprising of 28800 cotton spindles with the total project outlay of Rs.94.50 crores. The Board of Directors has now decided to implement more value added project instead of phase II of the expansion project envisaged in the Prospectus issued by the Company. Since the details of the new project are being worked out, it is proposed to have the enabling authority from the members of the company to set up the same on finalization thereof.

As the change in the project/objects of the issue as stated above will result in variation in the terms of prospectus it requires the approval of the members under Section 61 of the Companies Act, 1956. Hence the proposed resolution is put for your consideration and approval.

None of the directors of the company is concerned or interested in the resolution.

For Item No. 7

Sh. Sandeep Jindal, was appointed as Managing director of the company for a period of 3 years w.e.f. 1st October, 2007 at a monthly remuneration of Rs.2,50,000/-. Accordingly, the term of his office expires on 30th September, 2010. The Board of Directors on the recommendation and approval of the remuneration committee of the Board of Directors has approved the re-appointment of Sh. Sandeep Jindal for a further period of 3 years w.e.f. 01-10-2010 at a monthly remuneration of Rs.2,50,000/- in accordance with provisions of the Companies Act, 1956 subject to the approval of the members of the company. As required by provisions contained in Schedule XIII of the Companies Act, 1956 the additional information is as under:-

1. <u>General information</u>

i) Nature of industry : Textile

ii) Date of commencement of commercial production :17.05.1999

iii) Financial performance of the company: The turnover of the company is Rs.146.32 crores and Profit after tax is Rs.7.09 crores for the year ending 31.03.2010.

iv) Export performance: The Company has achieved direct export turnover of Rs.1.99 crores for the year ending 31.03.2010.

v) Foreign collaboration & investment: There is no foreign collabration in the company. Foreign Institutional Investors (FIIs) are holding 6.75% in the share capital as on 31.03.2010.

2. <u>Information about the Appointee</u>

i) Background details: Sh. Sandeep Jindal is the promoter director of the company. He is a dynamic commerce graduate of 33 years. He belongs to a reputed industrialist family of this region.

ii) Past remuneration: Rs. 2,50,000/- per month.

iii) Recognition or awards : NIL

iv) Job profile & his suitability: He is looking after the day to day affairs of the company He has business acumen and thus is suitable for this designation. He has been instrumental in devising company's diversification strategy and also looking at adding the value added textile products to the product portfolio of company. With the same view, the company is setting up techicnal textile project through its 100% subsidaries.

v) Remuneration proposed: Rs. 2,50,000/- per month inclusive of perks, if any.

vi) Comparative remuneration: The proposed remuneration is in line with the remuneration prevailing in the industry.

vii) Relationship with the managerial personnel: He being promoter Directors is the relative of the whole time directors.

3. <u>Other information</u>:

i) Reasons of loss or inadequate profits: The Company proposes to give remuneration as minimum remuneration. The company is a profit making company. The Company has adequate profits as far as the total remuneration is concerned as the maximum permissible limit is 10% to all the managerial personnel together.

ii) Steps taken/ to be taken for improvement: The company has successfully completed commissioning of 28800 cotton spindles in the current year thereby total spinldle capacity has been increased to 52272 spindles. Further the 100% subsidiaries of the company namely Jindal Medicot Ltd & Jindal Specialty Textiles Ltd are putting up their technical textiles project at Himahcal Pradesh and the same will be implemented by the end of this year.

iii) Expected increase in the productivity and profit in measurable terms: Since the capacity of the company has been increased to 52272 spindles, the company estimates around 50 to 60% increase in the revenues and profits.

4. Disclosure:

The remuneration payable to Sh. Sandeep Jindal is as detailed in the resolution.

Hence the proposed resolution is put for your consideration and approval.

These details may also be treated as the abstract of the terms and conditioned for the appointment of the Managing Director in compliance of section 302 (1) of the companies act, 1956.

Besides the appointee himself Sh. Ramesh Jindal, Sh. Rajinder Jindal and Sh. Yash Paul Jindal being the relatives of the appointee are interested in the resolution

By order of the Board
For Jindal Cotex Limited

(Sandeep Jindal)
Managing Director

Place : Ludhiana
Date : 12.08.2010

Information pursuant to Corporate Governance Clause of the Listing Agreement(s) regarding the Directors seeking appointment/re-appointment in the Annual General Meeting

Name of the Director	**Yash Paul Jindal**	**Vipan Kumar Mittal**	**Madan Lal Arora**	**Sandeep Jindal**
Date of Birth	23.09.1955	03.10.1958	16.06.1938	02.03.1977
Date of Appointment	10.12.1998	31.03.2005	10.07.2008	18.02.1998
Expertise in specific functional area	31 Years of experience in business of trading in Iron and Steel and also 12 Years experience in business of manufacturing of yarn.	29 Years of experience in the Hosiery and Textile Industry.	33 years experience as Company Secretary in the industry and profession.	10 years of experience in the textile industry
Qualification	B.A.	B.Com	B.A., CS, LLB	B.Com
Directorship of other companies	• Jindal Medicot Limited • Jindal Specialty Textiles Limited • Jindal Cycles Private Limited • Himachal Textile Park Ltd	• Kudu Knit Process Private Limited • Supple Innovations Limited	• Chuneja Management Consultants Private Limited	• Jindal Medicot Limited • Jindal Specialty Textiles Limited • Jindal Info Media Private Limited • Himachal Textile Park Ltd
Chairmanships/ Memberships of Committees of other companies	Nil	Nil	Nil	Nil
Number of shares held	3139218	Nil	Nil	1312998
Relationship with other Directors	Related to Sh. Ramesh Jindal, Sh. Rajinder Jindal and Sh. Sandeep Jindal	Not related to any Director	Not related to any Director	Related to Sh. Ramesh Jindal, Sh. Rajinder Jindal and Sh. Yash Paul Jindal

ATTENDANCE SLIP

JINDAL COTEX LTD.

REGD. OFFICE: VPO JUGIANA, G.T. ROAD, LUDHIANA-141 420.

(Please fill the attendance slip and hand it over at the entrance of meeting venue. Joint shareholders may obtain additional attendance slip on request.)

Ref. Folio _____ DP ID* _____

No. of shares held _____ Client ID _____

Name and Address of Shareholder : _____

I / We hereby record my / our presence at the **Annual General Meeting** of **Jindal Cotex Limited** which will be held on **Tuesday 28th September, 2010 at 10.00 a.m.** at VPO Jugiana, G.T. Road, Ludhiana - 141 420.

_____

Signature of Shareholder / Proxy

* Applicable for Shareholders holding shares in Electronic form.

ATTENDANCE SLIP

JINDAL COTEX LTD.

REGD. OFFICE: VPO JUGIANA, G.T. ROAD, LUDHIANA-141 420.

Ref. Folio _____ DP ID* _____

No. of shares held _____ Client ID _____

Name(s) of the Shareholder in full _____

I/ We _____ of _____

in the district of _____ being a member/ members of the above-named company

hereby appoint _____ of _____

in the district of _____ or failing him _____

of _____ in the district of _____

as my/our proxy to vote for me / us on my/our behalf at the **Annual General Meeting** of **Jindal Cotex Limited** which will be held on **Monday, 28h September, 2010 at 10.00 a.m.** at VPO Jugiana, G.T. Road, Ludhiana - 141 420 and at any adjournment thereof.

Signed this _____ day of _____ 20 _____. Signature ..... Affix 15 paise Revenue Stamp .....

Note:

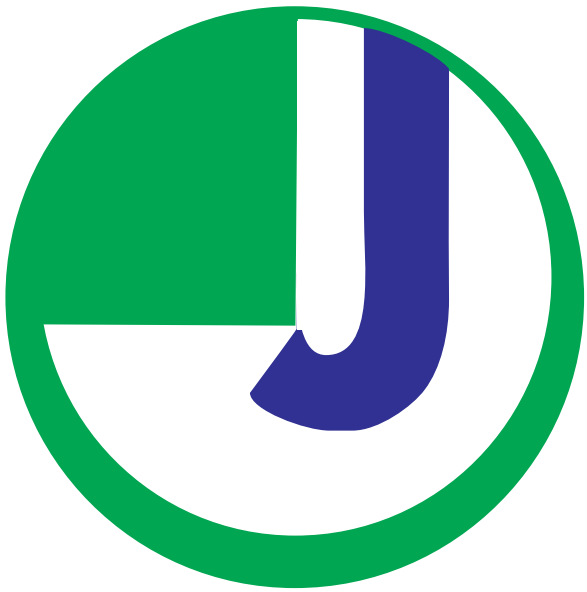
1) The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Regd.Office of the Company not less than 48 hours before the time for holding aforesaid Extraordinary General Meeting. Proxy need not be a member of the Company.
2) Members holding shares under more than 1 Folio may use photocopy of the Proxy Form for other Folios.
3) Company shall provide additional Proxy Forms on request.

BOOK-POST / U.C.P.

If undelivered, please return to:

Bigshare Services Private Limited
(Unit : Jindal Cotex Limited)
E/2, Ansa Industrial Estate, Saki Vihar Road, Sakinaka,
Andheri (East), Mumbai - 400 072.
Tel No: +91 22 2847 0652

SAP Print Solutions Pvt. Ltd., Ph.: (022) 4074 1000



Jindal Cotex Limited

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