



A B COTSPIN INDIA LIMITED

Registered Address: NH-54, Goniana Road, Near Lake-3, Bathinda, Punjab-151001

Factory Address: Bathinda Road, Jaitu, Faridkot, Punjab-151202

CIN: L17111PB1997PLC020118 **Email:** info@abcotspin.in **Phone:** 01635232670

Website: www.abcotspin.co.in

NOTICE OF POSTAL BALLOT

[Pursuant to the provisions of Section 110 read with Section 108 of the Companies Act, 2013, Rules 22 and 20 of the Companies (Management and Administration) Rules, 2014, as amended and applicable Circulars issued by the Ministry of Corporate Affairs, Government of India]

E-VOTING COMMENCES ON	E-VOTING CONCLUDES ON
Tuesday, April 01, 2025 at 9:00 A.M. (IST)	Wednesday, April 30, 2025 at 5:00 P.M. (IST)

Dear Member(s),

NOTICE is hereby given that pursuant to the provisions of Sections 110 and 108 of the Companies Act, 2013 (the “**Act**”) and other applicable provisions of the Companies Act, 2013, read with Rules 20 and 22 of the Companies (**Management and Administration**) Rules, 2014 (the “**Management Rules**”) as amended, Secretarial Standard-2 on General Meetings (the “**SS-2**”), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**SEBI Listing Regulations**”), including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force, guidelines prescribed by the Ministry of Corporate Affairs (“**MCA**”), Government of India, for holding general meetings/conducting postal ballot process through e-voting vide General Circulars (“**MCA Circulars**”) from time to time and any other applicable laws and regulations, if any, for seeking approval of the Members of **A B Cotspin India Limited (the “Company”)** through Postal Ballot by way of voting through electronic means (“**E-voting**”) only.

In compliance with MCA Circulars, this Notice is being sent only through electronic mode to those members whose e-mail address is registered with the Company/Depositories as on Friday, March 28, 2025 (“**Cut-off date**”). If member’s e-mail address is not registered with the Company/ Depositories, then please follow the process provided in the Notes to receive this Notice, login ID and password for remote e-Voting. The instructions for remote e-voting are appended to the Notice.

An explanatory statement pursuant to the provisions of Section 102 and other applicable provisions of the Act, pertaining to the resolution setting out the material facts and the reasons/rationale thereof, is appended and forms part of this Notice.

The remote e-voting period commences from 9.00 a.m. (IST) on Tuesday, April 01, 2025, and ends at 5.00 p.m. (IST) on Wednesday, April 30, 2025. Once a member casts the vote on the Resolution, the member will not be allowed to change it subsequently. 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. Members desiring to exercise their vote through the remote e-voting process are requested to carefully read the instructions indicated in this Notice and record their assent (FOR) or dissent (AGAINST) by following

the procedure as stated in the 'Notes' section of this Notice for casting of votes by remote e-voting not later than 5.00 p.m. (IST) on Wednesday, April 30, 2025. The remote e-voting facility will be disabled by CDSL immediately thereafter.

In compliance with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "LODR Regulations") and pursuant to the provisions of Sections 108 and 110 of the Act read with the rules framed thereunder and the MCA Circulars, the manner of voting on the proposed resolution is restricted only to e-voting i.e., by casting votes electronically instead of submitting postal ballot forms. In compliance with the MCA Circulars, the postal ballot notice and instructions for e-voting are being sent only through electronic mode to those Members whose email addresses are registered with the Company / depository participant(s) as on Friday, March 28, 2025 (cut-off date) to enable them to cast their votes electronically.

Pursuant to the Rule 22(5) of the Rules, the Board of Directors of your Company has appointed Mr. Deepak Gupta (COP No. 4629, Membership No. F5339), Partner of DR Associates, Practicing Company Secretaries, as the Scrutinizer to conduct the Postal Ballot and e-voting process in a fair and transparent manner.

Upon completion of the e-voting process, the Scrutinizer will submit the report to the Chairman of the Company or any other person authorized by him. The results of the Postal Ballot will be announced by any one of the Directors of the Company or Company Secretary on or before May 02, 2025 at the Registered Office of the Company on or before 5:00 P.M. The said result along with the Scrutinizer Report shall be posted on the Company's website viz. www.abcotspin.co.in and on National Stock Exchange of India Limited, the Stock Exchange where the Shares of the Company are listed. The proposed resolutions, if approved by requisite majority, shall be deemed to have been passed on the last date of E-voting, i.e., Wednesday, April 30, 2025.

SPECIAL BUSINESS

RESOLUTION: APPROVAL OF A B COTSPIN INDIA EMPLOYEES STOCK PURCHASE SCHEME - 2025

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

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any amendment thereto or re-enactment thereof), Regulation 6(1) and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SEBI (SBEB & SE) Regulations**"), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI (LODR) Regulations**"), relevant provisions of Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines / Circulars in that behalf and subject further to such other approval(s), consent(s), permission(s) and / or sanction(s) as may be necessary from the appropriate regulatory authority(ies) / institution(s) and such conditions and modifications as may be prescribed / imposed by the appropriate regulatory

authority(ies) / institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s), the consent of the Members of the Company be and is hereby accorded for approval of A B Cotspin India Employees Stock Purchase Scheme - 2025 ("**Scheme**") and the Board of Directors (*hereinafter referred to as the "**Board of Directors**" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the Board of Directors has constituted to exercise its powers, including the powers, conferred by this resolution*) be and is hereby authorised to create, offer, issue and allot under the Scheme, in one or more tranches, 50,000 (Fifty Thousand) Equity Shares ("**Shares**") (*or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time*) of face value of Rs. 10/- each, to or for the benefit of Employees and Directors of the Company, and to such other persons as may, from time to time, be allowed to be eligible for the benefits of the Scheme (as permitted under the applicable laws from time to time), on such terms and in such manner as the Board of Directors may decide in accordance with the provisions of the applicable laws and the provisions of the Scheme.

RESOLVED FURTHER THAT the Scheme shall be administered by the Nomination and Remuneration Committee ("**Committee**") of the Company who shall have all necessary powers as defined in the Scheme and is hereby designated as Compensation Committee in pursuance of the SEBI (SBEB & SE) Regulations for the purpose of administration and superintendence of the Scheme.

RESOLVED FURTHER THAT the Scheme shall be implemented through direct route, wherein fresh Equity Shares shall be allotted to the Employees in terms of the Scheme.

RESOLVED FURTHER THAT the Shares to be issued and allotted by the Company under the Scheme shall rank pari-passu in all respects with the then existing Shares of the Company and remain Lock in for a period of 1 (One) year from the date of allotment.

RESOLVED FURTHER THAT the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take requisite steps for listing the Equity Shares allotted under the Scheme, from time to time, on the Stock Exchanges where the Equity Shares of the Company are listed.

RESOLVED FURTHER THAT the Board of Directors, subject to compliance with the SEBI (SBEB & SE) Regulations and other applicable laws, rules and regulations, be and are hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the Scheme and to do all such acts, deeds, matters and things as it may in its absolute discretion deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Scheme and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary including but not limited to appoint Advisors, Merchant Bankers, Consultants or Representatives, being incidental for the effective implementation and administration of the Scheme and to make applications to the appropriate Authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution.

RESOLVED FURTHER THAT the Board of Directors be and are hereby also authorised to nominate and appoint one or more person for carrying out any or all of the activities that the Board of Directors are authorized to do for the purpose of giving effect to this resolution.”

**By order of the Board of Directors
For A B Cotspin India Limited**

Sd/-

Kannu Sharma

Membership No.: A64063

Company Secretary & Compliance Officer

Date: March 27, 2025

Place: Bathinda, Punjab

Registered Office

NH-54, Goniana Road, Near Lake-3,

Bathinda, Punjab-151001

Email: cs@abcotspin.in

Website: www.abcotspin.co.in

Tel:+1635232670

NOTES:

1. An Explanatory Statement pursuant to the provisions of Section 102 and 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, setting out the material facts and reasons for the resolutions in respect of the businesses set out above is annexed hereto. A copy of the Postal Ballot Notice is also available on the Company's website www.abcotspin.co.in and E-voting website www.evotingindia.com and at the relevant sections of the websites of the Stock Exchanges on which the shares of the Company are listed.
2. The Portal for E-voting will remain open for the Members for exercising their voting from **Tuesday, April 01, 2025** at **09:00 A.M.** India Standard Time ('IST') till **Wednesday, April 30, 2025** at **05:00 P.M.** (IST) both days inclusive. The E-voting needs to be exercised by 05:00 P.M. (IST) on **Wednesday, April 30, 2025**. Please note that E-voting module will be disabled for voting by Central Depository Services (India) Limited after the said date and time. During this period, the Members of the Company holding shares either in physical form or dematerialised form, as on **Friday, March 28, 2025 ('cut-off date')**, may cast their vote electronically. Once vote on a resolution is cast by the member, he/ she shall not be allowed to change it subsequently or cast the vote again.

3. In terms of MCA Circulars, this Notice along with the instructions regarding e-voting is being sent only by email to all those members, whose email addresses are registered with the Company or with the depository(ies) / depository participants and whose names appear in the register of members/list of beneficial owners as on the Cut-off date i.e., **Friday, March 28, 2025**. All the members of the Company as on the Cut-off date shall be entitled to vote in accordance with the process specified in this notice. Any person who is not a member on the Cut-off date shall treat this notice for information purpose only. As per the MCA Circulars, physical copy of the Notice, Postal Ballot Form and pre-paid business reply envelope are not being sent to the members for this Postal Ballot.
4. The resolutions, if passed by the requisite majority, shall be deemed to have been passed on the last date specified by the Company for E-voting i.e. **April 30, 2025**. Further, resolutions passed by the Members through Postal ballot (E-voting) are deemed to have been passed effectively at a general meeting.
5. Voting Rights in the postal ballot cannot be exercised by a proxy.
6. The Board of Directors has appointed Mr. Deepak Gupta (COP No. 4629, Membership No. F5339), Partner of DR Associate, Practicing Company Secretaries, as Scrutinizer for scrutinizing the E-voting process and conducting Postal Ballot process in a fair and transparent manner.
7. Upon completion of the scrutiny of the votes cast through e-voting, the Scrutinizer will submit his report to the Chairman or any person authorized by him. The results of the Postal Ballot and e-voting shall be announced on or before **Friday, May 02, 2025**. The said results would be made available on the Notice Board at the Registered Office of the Company, intimated to the National Stock Exchange of India Limited where the shares of the Company are listed. Additionally, the results will also be uploaded on the Company's website www.abcotspin.co.in and on the website of Central Depository Services (India) Limited (CDSL) www.evotingindia.com. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.
8. As required by Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 read with the MCA Circulars and the Listing Regulations, the details pertaining to this Postal Ballot will be published in one English national daily newspaper circulating throughout India (in English language) and one Punjabi daily newspaper circulating in Punjab (in vernacular language, i.e. Punjabi).
9. Pursuant to the provisions of Section 110, the MCA Circulars and other applicable provisions, if any, of the Act read with the Companies (Management and Administration) Rules, 2014, assent or dissent of the Members in respect of the resolutions contained in the Notice dated **March 27, 2025** is being taken through e-voting only.
10. All the documents referred to in this Notice and the Statement pursuant to the provisions of Section 102 of the Companies Act, 2013, will be posted on the Company's website www.abcotspin.co.in to facilitate online inspection of relevant documents until last date of E-voting of this Postal Ballot i.e. **April 30, 2025**.

11. To support the “**Green Initiative**” Members who have not registered their e-mail addresses so far are requested to register their e-mail address with the Company’s RTA or the Depository Participants, in respect of shares held in physical/ electronic mode respectively to enable servicing of notices / documents / Annual Reports electronically to their email address.

12. **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. **For Demat shareholders** - Please update your email id & mobile no. with your respective Depository Participant (DP).
2. **For Individual Demat shareholders** - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting through Depository.

13. **INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**

- i) The voting period begins on **April 01, 2025** at **9.00 A.M.** and ends on **April 30, 2025** at **5.00 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 **March 28, 2025** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) Pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders’ resolutions. Individual shareholders holding securities in demat mode are allowed to vote through their demat account(s) maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and E-mail ID in their demat accounts in order to access e-voting facility.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities 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.

- iii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 on e-Voting facility provided by Listed Companies, 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.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
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 evoting is in progress as per the information provided by company. On clicking the evoting 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 or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, 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 4) 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 or click on https://evoting.cdslindia.com/Evoting/EvotingLogin 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.
Individual Shareholders Holding securities in	<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.nsd.com either on a Personal Computer

<p>demat mode with NSDL</p>	<p>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.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<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.</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 toll free no. 1800 21 09911
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.: 022 4886 7000 and 022 2499 7000

iv) Login method for e-Voting for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) 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.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) 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.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) 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.

- v) After entering these details appropriately, click on "SUBMIT" tab.
- vi) 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.
- vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- viii) Click on the EVSN A B COTSPIN INDIA LIMITED on which you choose to vote.
- ix) 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.
- x) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xi) 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.
- xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xiv) 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.
- xv) **Facility for Non - Individual Shareholders and Custodians**
- 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 mailed 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 the email address viz; cs@abcotspin.in , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending EGM & e-Voting from the e-Voting System, 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 or contact 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 call at toll free no. 1800 21 09911.

Explanatory Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013

Item No. 1: Approval of A B Cotspin India Employees Stock Purchase Scheme – 2025

Equity based remuneration includes alignment of personal goals of the Employees with Organisational objectives by participating in the ownership of the Company. The Board of Directors of your Company understands the need to enhance the employee engagement, to reward the employees for their association and performance as well as to motivate them to contribute to the growth and profitability of the Company.

In order to reward and retain the employees and to create a sense of ownership and participation amongst them, the Board of Directors has in its meeting held on March 27, 2025, approved A B Cotspin India Employees Stock Purchase Scheme – 2025 (“*Scheme*”) to or for the benefit of such Employee as defined in the Scheme.

In terms of Regulation 6 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“**SEBI (SBEB & SE) Regulations**”) and Section 62 and other applicable provisions of the Companies Act, 2013, issue of Equity Shares (“*Shares*”) to Employees of the Company under an Employee Stock Purchase Scheme requires an approval of the existing Members by way of Special Resolution. **The Special Resolution set out at Item No. 1 is seeking your approval for the said purpose.**

The salient features and other details of the Scheme as required pursuant to the Regulation 6(2) of SEBI (SBEB & SE) Regulations are as under:

1. Brief Description of the Scheme:

The Scheme shall be called as A B Cotspin India Employees Stock Purchase Scheme – 2025.

The Purpose of the Scheme includes the following:

- a. to attract appropriate talent needed to effectively drive the growth strategies of the Company.
- b. to motivate the Employees to contribute to the growth and profitability of the Company.
- c. to strengthen the Employees loyalty and retention by offering a tangible stake in the Company’s performance.
- d. to achieve sustained growth and the creation of shareholder value by aligning the interests of the Employees with the long-term interests of the Company.
- e. to encourage a performance-driven work environment by linking rewards to individual and collective achievements.

2. The total number of ~~Stock Options to be granted~~/ Shares to be offered under the Scheme:

The maximum number of Shares that may be offered, issued and allotted under the Scheme shall not exceed 50,000 (Fifty Thousand) fully paid-up Shares of face value Rs. 10/- each.

If any Share offered under the Scheme, lapses or is forfeited or surrendered under any provisions of the Scheme, such Share shall be available for further Offer under the Scheme unless otherwise determined by the Committee.

Further, the maximum number of the Shares that can be offered shall stand adjusted in case of Corporate Action (*as defined in the Scheme*).

3. Identification of classes of Employees entitled to participate in the Scheme:

(a) An Employee as designated by the Company, who is exclusively working in India or outside India; or

(b) A Director of the Company, whether a Whole Time Director or not, including a non-executive Director who is not a Promoter or member of the Promoter Group, but excluding an Independent Director; or

but does not include

(a) An Employee who is a Promoter or a person belonging to the Promoter Group; or

(b) A Director who either himself or through his Relative or through any Body Corporate directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.

4. Requirement of Vesting and period of Vesting:

Not Applicable, as the present Scheme is an Employee Stock Purchase Scheme.

5. Maximum period within which the Options shall be vested:

Not Applicable, as the present Scheme is an Employee Stock Purchase Scheme.

6. ~~Exercise Price/ Offer Price~~ Offer Price or Pricing Formula:

Under this Scheme, the Offer Price will be determined by the Committee, which shall be intimated by the Company through Offer Letter. However, the Offer Price shall not go below the face value of Share of the Company.

7. ~~Exercise period and process of Exercise/~~ Subscription of Offer and process of Subscription:

The Offer can be subscribed, either wholly or partly, through Cash Mechanism by submitting the prescribed Subscription Application to the Committee or any of its authorized representatives, along with the Offer Price, applicable tax and other charges, if any, within the Offer Period which shall be maximum of 07 (Seven) days from the date of Opening of the Offer Letter.

The mode and manner of the Subscription shall be communicated to the Offerees individually.

8. Appraisal process for determining the eligibility of the Employees to the scheme:

The Committee may on the basis of all or any of the following criteria, decide on the Employees who are eligible for the Offer under the Scheme, and the terms and conditions thereof.

- **Loyalty:** it will be determined on the basis of tenure of employment of an Employee in the Company.
- **Performance of Employee:** Employee's performance during the financial year in the Company on the basis of decided parameters.
- **Performance of Company:** performance of the Company as per the standards set by the Committee / Board of Directors.
- As an incentive to persuade senior professionals in joining the Company.
- Any other criteria as decided by the Committee in consultation with Board of Directors from time to time.

9. The Maximum number of Options / Equity Shares to be granted / offered per Employee and in aggregate:

The maximum number of Shares that may be offered, issued and allotted under the Scheme shall not exceed 50,000 (Fifty Thousand) fully paid-up Shares of face value Rs. 10/- each.

Subject to the availability of Shares in the pool under the Scheme, the maximum number of Shares that can be offered to any eligible Employee during any one year shall not be equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Offer. The Committee may decide to Offer such number of Shares equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) to any eligible Employee as the case may be, subject to the separate approval of the shareholders in a general meeting.

10. The Maximum quantum of benefits to be provided per Employee under the scheme:

The maximum quantum of benefits that will be provided to every eligible Employee under the Scheme will be the difference between the market value of Company's Share on the Recognized Stock Exchanges as on the date of Subscription of Offer and the Offer Price paid.

11. Whether the Scheme(s) is to be implemented and administered directly by the Company or through a Trust:

The Scheme shall be implemented through direct route for extending the benefits to the eligible Employees by the way of fresh allotment and will follow cash mechanism.

Subject to Applicable Laws and the framework laid down by the Board of Directors, the Scheme shall be administered by the Committee which may delegate some or all of its administrative power to any other sub - committee or persons for proper administration of the Scheme.

12. Whether the Scheme involves new issue of shares by the company or secondary acquisition by the Trust or both:

The Scheme involves new issue of Shares by the Company.

13. The amount of loan to be provided for implementation of the Scheme by the Company to the Trust, its tenure, utilization, repayment terms, etc.:

Not applicable, since the Scheme is proposed to be implemented by direct route.

14. The Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the Trust for the purposes of the Scheme:

Not applicable, since the Scheme is proposed to be implemented by direct route.

15. Disclosure and accounting policies:

The Company shall comply with the disclosures requirements and the accounting policies prescribed under regulation 15 of the SEBI (SBEB &SE) Regulations or as may be prescribed by regulatory authorities from time to time.

16. The method which the Company shall use to value its Options:

Under the Proposed Scheme, the Company proposes to allot the Shares and as such the valuation of Options is not applicable.

However, the Company shall comply with the requirements of IND - AS 102 and shall use Fair value method and the fair value of Shares would be calculated as per the prescribed method under the applicable regulations.

17. Statement with regard to Disclosure in Director's Report:

As the company is adopting fair value method, presently there is no requirement for disclosure in director's report. However, if in future, the Company opts for expensing of share-based employee benefits using the intrinsic value, then the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report.

18. Period of lock-in:

The Shares to be issued and allotted to the Offerees under this Scheme shall remain Lock in for a period of 1 year from the date of allotment.

19. Terms & conditions for buyback, if any, of specified securities:

The Committee has the powers to determine the procedure for buy-back of Offer in accordance with the Applicable Laws.

The Board of Directors recommend the resolutions as set out at item no. 1 for your approval as Special Resolutions.

None of the Directors, Manager, Key Managerial Personnel of the Company, and any relatives of such Director, Manager, Key Managerial Personnel are in anyway concerned or interested in the resolution except to the extent of Equity Shares held by them in the Company or the Shares that may be offered under the Scheme.

A B Cotspin India Employees Stock Purchase Scheme – 2025 and other documents referred to in the aforesaid resolutions are available for inspection at the factory office of the Company or at the website of the Company.

**By order of the Board of Directors
For A B Cotspin India Limited**

Sd/-

Kannu Sharma

Membership No.: A64063

Company Secretary & Compliance Officer

Date: March 27, 2025
Place: Bathinda, Punjab

Registered Office

NH-54, Goniana Road, Near Lake-3,

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