

UDAIPUR CEMENT WORKS LIMITED

(CIN: L26943RJ1993PLC007267)

Regd. Office: Shripati Nagar, P.O. CFA, Udaipur-313 021(Rajasthan)

Secretarial Deptt.: Gulab Bhawan, 3rd Floor, 6A, Bahadur Shah Zafar Marg, New Delhi -110 002

Email: ucwl.investors@jkm.com, rgupta@jkm.com Website: www.udaipurcement.com

Tele/Fax : 0294-2655076/77

Postal Ballot Notice

Dear Member(s),

Notice is hereby given that pursuant to the provisions of Section 110 of the Companies Act, 2013 ("Act") read with Rule 22 of the Companies (Management and Administration Rules), 2014 ("Rules") (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), Secretarial Standard - 2 on General Meetings (SS-2) and any other applicable laws and regulations, the resolution appended below is proposed to be passed by the Members as Special Resolution by way of postal ballot/electronic voting (e-voting).

The proposed resolution along with the statement setting out the material facts thereto and a Postal Ballot Form are appended below for your consideration and voting.

The Board of Directors of the Company has appointed Shri Namu Narain Agarwal (Membership No. F234), Company Secretary in Practice, as the Scrutinizer for conducting the Postal Ballot (physical & e-voting) process in a fair and transparent manner.

The Members are requested to carefully read the instructions printed in this Notice and on the Postal Ballot Form (appended hereto) and follow the same for voting. Members opting to vote through physical mode i.e. dispatching the Postal Ballot Form duly signed by post, are requested to carefully read the instructions printed on the Form enclosed herewith and return the same duly completed and signed in the enclosed self-addressed pre-paid business reply envelope, so as to reach the Scrutinizer by 5.00 p.m. on or before 17th March 2017, being the last date for receipt of Postal Ballot Forms. Please note that any Postal Ballot Form(s) received thereafter will be treated as not having been received.

Special Business

1. Issue of Cumulative Redeemable Preference Shares on a Private Placement basis

To consider and, if thought fit, to pass, the following Resolution as Special Resolution:

"RESOLVED that pursuant to the provisions of Sections 42, 55, 62 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Rules made thereunder, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") including any amendment, modification or re-enactment thereof, and the provisions of the Memorandum and Articles of Association of the Company and the regulations/guidelines, if any, prescribed by any relevant Authorities from time to time, to the extent applicable and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be considered necessary by the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) or as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board, the consent of the Company be and is hereby accorded to the Board to create, offer and/or invite to subscribe, issue and allot upto 600 Cumulative Redeemable Preference Shares of Rs. 1,00,000/- each, fully paid up, for an aggregate amount not exceeding Rs. 6,00,00,000/- at par, on a private placement basis, in one or more tranches (hereinafter referred to as the "CRPS Series B"), to JK Lakshmi Cement Limited, Promoter of the Company (JKLC), on such terms & conditions as set out in the Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER that in accordance with the provisions of Section 55 of the Act and the Companies (Share Capital and Debentures) Rules, 2014, the particulars in respect of CRPS Series B are, as under:

- (i) CRPS Series B shall carry a preferential right vis-à-vis Equity Shares of the Company with respect to payment of dividend and repayment in case of a winding up or repayment of capital;
- (ii) CRPS Series B shall be non-participating, cumulative, non-convertible, redeemable; and
- (iii) CRPS Series B shall carry voting rights as per the provisions of Section 47(2) of the Act.

RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board be and is hereby authorized to resolve and settle any questions or difficulties that may arise in the matter of issue, offer and allotment of said CRPS Series B, utilization of issue proceeds, execute all such deeds, documents and writings and to do all such acts, deeds and things, as the Board may in its absolute discretion deem fit, in connection therewith and incidental thereto (including any modification in the terms and conditions of the aforesaid issue), without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

By Order of the Board

Date : 14th February 2017
Place : Udaipur

R.K. Gupta
Whole-time Director
CFO & Company Secretary

NOTES:

1. Statement pursuant to Section 102 of the Companies Act, 2013 setting out the material facts concerning the Special Resolution and the reasons thereof is annexed.
2. The Postal Ballot Notice is being sent to all the Members/ Beneficiaries, whose names appear in the Register of Members/ Statements of Beneficial Owners as received from the Depositories i.e. National Securities Depository Limited (“NSDL”) and Central Depository Services Limited (“CDSL”) as on the close of business hours on Friday i.e., 3rd February 2017 (Record Date). Any person who is not a Member as on the Record Date should treat this Notice for information purposes only.
3. The Postal Ballot Notice is being sent by e-mail to all those Members who have registered their e-mail address with the Company or with their Depository Participants (“DP”) unless any member has requested for a physical copy of the same. Members who have not registered their e-mail address will receive this Notice of Postal Ballot along with the Postal Ballot Form through other permitted mode.
4. The Postal Ballot Notice is uploaded on the website of the Company, i.e. www.udaipurcement.com and on the website of CDSL i.e. www.cdslindia.com
5. Members who have been sent this Notice electronically and who do not wish to avail e-voting facility organized by the Company through CDSL, may send a request to MCS Share Transfer Agent Ltd., the Registrar & Share Transfer Agent (RTA) of the Company, at the email id- admin@mcsregistrars.com, for obtaining the Postal Ballot Notice and Postal Ballot Form in physical. Member, holding shares as on the said Record Date, who have not received Postal Ballot notice and form may apply to the Company or RTA of the Company and obtain duplicate copies thereof.
6. Voting rights of the Members shall be in proportion to the equity shares held by them of the paid up equity share capital of the Company as on the Record Date.
7. Voting Rights in the Postal Ballot cannot be exercised by a proxy.
8. The Scrutinizer’s decision on the validity of a Postal Ballot/E-voting will be final.
9. All the documents referred to in this Notice shall be available for inspection by the Members at the Registered /Secretarial Office of the Company on any working day between 2.00 P.M. to 4:00 P.M.
10. In compliance with the provisions of Section 108 of the Act read with relevant Rules made thereunder and Regulation 44 of the SEBI LODR Regulations, the Company is pleased to provide Members, facility to exercise their right to vote on the matter included in this Notice of the Postal Ballot by electronic means i.e. through e-voting services provided by CDSL. Members desiring to opt for e-voting as per the facilities arranged by the Company are requested to read the instructions in the Notes under the section “e-voting procedure”. It may be noted that e-voting is optional. In case a Member has voted through e-voting facility, he/she is not required to send the physical Postal Ballot Form. In case a Member votes through e-voting facility as well as sends his/her vote through physical ballot, the vote cast through e-voting shall only be considered and the voting through physical Postal Ballot shall be treated as invalid.
11. The Scrutinizer shall; after scrutinizing the Ballot Forms and after the conclusion of voting unblock the votes cast through e-voting in the presence of at least two witnesses not in employment of the Company; make a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, by 19th March 2017 before 5.00 P.M to the Chairman or any other Director of the Company as authorized by the Board, who shall countersign the same. The results of the Postal Ballot will be announced by the Chairman of the Company or any other Director authorized by the Chairman on or before Sunday, 19th March 2017 by 5.00 p.m. at the Registered Office of the Company and shall also be displayed on the Notice Board of the Company’s Registered Office as well as Secretarial Office. The results declared along with the Scrutinizer’s Report shall also be placed on the Company’s website www.udaipurcement.com and on the website of CDSL www.cdslindia.com and shall simultaneously be forwarded to the Stock Exchange.
12. E-voting procedure:
The e-voting period begins on 16th February 2017 (10:00 A.M.) and ends on 17th March 2017 (5:00 P.M.) During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the Record Date i.e 3rd February 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The instructions for Members for e-voting are as under:

- (i) The Members should log on to the e-voting website www.evotingindia.com during the voting period.
- (ii) Click on “Shareholders/Members” tab.
- (iii) Now Enter your User ID
 - (a) For CDSL: 16 digits beneficiary ID,
 - (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the character displayed on the image verification and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat members as well as physical members) • 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 sequence number in the PAN field. The sequence number is printed on the Address Slip pasted on the envelope of this Notice. • In case the sequence 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 sequence number 1 then enter RA00000001 in the PAN field.
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’s 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).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN relevant for Udaipur Cement Works Limited.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xviii) Note for Non – Individual Members and Custodians
 - Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts 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.
- (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, under help section. The contact details of official responsible to address grievances connected with remote e-voting are Shri Rakesh Dalvi , Deputy Manager, Central Depository Services (India) Limited, 16th Floor, P.J. Towers, Dalal Street, Fort, Mumbai – 400 001; Phone No. 18002005533 or write an email to helpdesk.evoting@cdslindia.com.

STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT 2013

Resolution No. 1

The existing 50,95,230 Zero Coupon Preference Shares of Rs. 10/- each aggregating to Rs. 509.52 Lakh (ZCPS) are due for redemption on 31st March 2017, pursuant to the Rehabilitation Scheme of the Company sanctioned by the Hon'ble BIFR vide its Order dated 13th January 2012.

Section 55 of the Companies Act, 2013 (Act) provides that Preference Shares shall be redeemed out of the profits of the company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of such redemption. The Board of Directors of the Company at its meeting held on 14th February 2017, had approved issue of fresh Preference Shares of upto Rs. 6 crore by way of Private Placement (CRPS Series B) to JK Lakshmi Cement Ltd., Promoter of the Company (JKLC), subject to requisite approval of the Members by way of Special Resolution pursuant to Sections 42, 55 and 62 of the Act read with Rules made thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations).

Given below are the terms of issue of the aforesaid CRPS Series B and a Statement of disclosures as required under Rule 9(3) of the Companies (Share Capital and Debentures) Rules, 2014:

1. The CRPS Series B shall be cumulative, non-participating and non-convertible.
2. The objective of the issue is to redeem the existing 50,95,230 ZCPS of Rs. 10/- each aggregating to Rs. 509.50 lakh and also to utilize the issue proceeds for general corporate purposes.
3. The CRPS Series B will be issued and offered on a private placement basis in accordance with the provisions of Section 42 of the Act and the Rules made thereunder.

4. Other terms:

Particulars	Terms of Issue
Issue size, number of preference shares to be issued and nominal value of each share	Upto 600 5% Cumulative Redeemable Preference Shares of Rupees One Lakh each for an amount not exceeding Rs. 6 Crore.
Price at which such shares are proposed to be issued;	The CRPS Series B will be issued at par.
Basis on which the price has been arrived	Not applicable since the issue is at par.
Rate of Dividend	5%
Conversion Rights	No
Listing	The CRPS Series B will not be listed.
Offer Period	To be determined by the Board
Redemption	CRPS Series B shall be redeemed in 3 annual installments of 30%, 30% & 40% of face value at the end of 18th, 19th & 20th year from the date of allotment respectively in accordance with Section 55 of the Act, out of profits available for distribution as dividend or out of proceeds of a fresh issue of shares made for the purpose of redemption.
Tenure	Not exceeding 20 years with Put and Call Option as specified hereunder.
Put Option	In the event of non-payment of Dividend for a consecutive period of 3 years commencing from Financial Year 2017-18 by the Company, JKLC shall have the right to demand the capital back and in case the Company is not being able to repay the capital, JKLC shall have the right to convert the CRPS Series B into Equity Shares of the Company subject to the applicable provisions of the Act, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the SEBI LODR Regulations; and as may be mutually agreed to between the Company and JKLC.
Call Option	In the event of there being any Liquidity Event in the Company (Fresh induction or issuance of Equity Share to outsiders), it shall have the right to redeem the CRPS Series B at par. In case, the Company fails to redeem the CRPS Series B within a period of 3 months from any such liquidity event, in the Company, JKLC shall have the right of conversion of CRPS Series B into Equity Shares of the Company subject to the applicable provisions of the Act, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the SEBI LODR Regulations; and as may be mutually agreed to between the Company and JKLC.
Expected Dilution in Equity Capital upon conversion of Preference Shares	Nil, since the CRPS Series B are non-convertible.

5. The JKLC holds 6000, 5% Cumulative Redeemable Preference Shares of Rs. 1,00,000/- each (100%) in the Company. The current Equity Shareholding Pattern of the Company is, as under:

(A)	Category of Members	Shareholding	
		No. of Shares	Percentage (%)
	Shareholding of Promoter and Promoter Group		
	JK Lakshmi Cement Limited	21,38,88,244	72.45
	Florence Investech Limited	75,11,756	2.55
	Sub Total (A)	22,14,00,000	75.00
(B)	Public Shareholding	No. of Shares	Percentage (%)
	Institutions	20,32,457	0.69
	Central Government/ State Government(s)/ President of India	0	0
	Non-Institutions	7,17,72,823	24.31
	Sub Total (B)	7,38,05,280	25.00
	Grand Total (A)+(B)	29,52,05,280	100.00

Note: The above shareholding is based on the equity shareholding pattern of the Company as on 31/12/2016.

6. The issue of CRPS Series B is in accordance with the provisions of the Articles of Association of the Company. There is no subsisting default in the redemption of preference shares issued by the Company or in payment of dividend due on any preference shares issued by the Company.

The resolution is accordingly recommended for approval of the Members, in the best interest of the Company.

JK Lakshmi Cement Limited, holds in aggregate 21,38,88,244 Equity Shares of the Company (72.45%) and may be deemed to be concerned or interested in the Resolution.

None of the Directors, Key Managerial Personnel of the Company and / or their relatives are in any way concerned or interested financially or otherwise in the Resolution.

By Order of the Board

Date : 14th February 2017
Place : Udaipur

R.K. Gupta
Whole-time Director
CFO & Company Secretary

UDAIPUR CEMENT WORKS LIMITED

(CIN: L26943RJ1993PLC007267)

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POSTAL BALLOT FORM

1. Name and Registered Address of the
Sole/First named Shareholder :

2. Name(s) of the Joint Holders, if any :

3. Registered Folio No. /DPID No. /Client ID No.* :
(*Applicable to Members holding
shares in dematerialised form)

4. No. of Equity 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 of the Company dated 14th February 2017, by sending my/our assent or dissent to the said resolution by placing a tick (✓) mark at the appropriate box below:

Item No.	Description of the Resolution	No. of Equity Shares for which vote cast	I/We Assent to the Resolution (For)	I/We Dissent to the Resolution (Against)
1.	Issue of Cumulative Redeemable Preference Shares on a Private Placement basis			

Signature of the Shareholder

Place:

Date :

NOTES:

1. Please read carefully the instructions printed overleaf before exercising the vote.
2. Last Date for receipt of Postal Ballot Form by the Scrutinizer is Friday, 17th March, 2017 by 5.00 P.M.

INSTRUCTIONS FOR VOTING IN PHYSICAL MODE

1. A Member desiring to exercise the vote by Postal Ballot should complete this Postal Ballot Form and send it to the Scrutinizer in the enclosed self-addressed pre-paid business reply envelope (bearing the address of the Scrutinizer appointed by the Board of Directors of the Company). Postage will be borne by the Company. However, envelopes containing Postal Ballots, if sent by courier or by registered post/speed post at the expense of the Member will also be accepted.
2. The Postal Ballot Form should be duly completed and signed by the sole/first named Member and in his absence, by the next named Member, as per specimen signature registered with the Company /RTA.
3. In case of shares held by companies, trusts, societies, etc. duly completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution / Authorisation letter giving requisite authority to the person voting on the Postal Ballot Form.
4. There will be only one Postal Ballot Form for every folio/client ID irrespective of the number of Joint holders.
5. The right of voting by Postal Ballot will not be exercised by a Proxy.
6. Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected and any form mutilated or defaced in such a way that its identity as a genuine form cannot be established shall also not be accepted.
7. Member shall not make any amendment to the Resolution or impose any condition while exercising his vote.
8. Duly completed Postal Ballot Form should reach the Scrutinizer on or before Friday, 17th March 2017 by 5.00 p.m. Postal Ballot Form received after this date will be treated as if the reply from the Member(s) has not been received.
9. Member(s) are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed pre-paid business reply envelope as such envelope will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
10. The Scrutinizer's decision on the validity of a Postal Ballot Form will be final.