



## UltraTech Cement Limited

**Registered Office:** 'B' Wing, Ahura Centre, 2<sup>nd</sup> Floor, Mahakali Caves Road, Andheri (East), Mumbai 400 093

**Tel No.** – 022-66917800/29267800, **Fax No.** – 022-66928109, **website:** [www.ultratechcement.com](http://www.ultratechcement.com),

**CIN:** L26940MH2000PLC128420

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

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013 (the "Act") read with the Companies (Management and Administration) Rules, 2014 to transact the special businesses as set out hereunder by the Members of UltraTech Cement Limited ("the Company") by passing resolutions through postal ballot.

The proposed resolutions and explanatory statement stating the facts as required in terms of Section 102 of the Act are appended below and a postal ballot form is also enclosed.

The Board of Directors of the Company by resolution dated 18<sup>th</sup> July, 2018 appointed Mr. B. Narasimhan, Company Secretary of M/s. B. N. & Associates, Company Secretaries as the Scrutinizer for conducting the postal ballot voting process in a fair and transparent manner.

Members have the option to vote either by means of physical Postal Ballot or through e-voting. Members desiring to exercise their vote by means of physical Postal Ballot are requested to carefully read the instructions printed in this Postal Ballot Notice and Postal Ballot Form and return the Postal Ballot Form duly completed in all respects in the enclosed self-addressed postage pre-paid Business Reply Envelope so as to reach the Scrutinizer not later than the close of working hours on Thursday, 4<sup>th</sup> October, 2018 at 5:00 p.m. (IST). Postal Ballot Forms received after 5:00 p.m. (IST) on Thursday, 4<sup>th</sup> October, 2018 will be treated as 'invalid'.

Pursuant to Sections 108 and 110 of the Act read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, the Company is also providing e-voting facility for voting electronically on the resolutions proposed in this Postal Ballot Notice. Members desiring to opt for the e-voting facility are requested to read carefully the related notes to this Postal Ballot Notice and instructions given thereunder.

After completion of scrutiny, the Scrutinizer will submit his Report, addressed to the Chairman or any other person authorised by him. The results of the voting conducted through Postal Ballot will be announced at the Registered Office of the Company on Friday, 5<sup>th</sup> October, 2018 at 3:00 pm (IST). It will also be displayed on the Company's notice board and website and published in the newspaper.

### SPECIAL BUSINESS

**1. To approve and adopt UltraTech Cement Limited Employee Stock Option Scheme 2018 and to consider and if thought fit, to pass the following resolution as a Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 67 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Memorandum and Articles of Association of the Company, the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (the "SEBI SBEB Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, any rules, guidelines and regulations issued by the Reserve Bank of India or any other regulatory or governmental authority and any other applicable laws for the time being in force and subject to such approvals, consents, permissions and sanctions, as may be required, and further subject to such terms and conditions as may be prescribed while granting such approvals, consents, permissions and sanctions and which may be agreed to and accepted by the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include any duly constituted committee, including the Nomination, Remuneration and Compensation Committee constituted by the Board to exercise its powers conferred by this Resolution) consent of the Members be and is hereby accorded to the Board to introduce and implement the 'UltraTech Cement Limited Employee Stock Option Scheme 2018' (the "Scheme 2018"), the salient features of which are furnished in the explanatory statement to the Notice and the same be implemented through a Trust to be set up for this purpose.

RESOLVED FURTHER THAT consent be and is hereby accorded to the Board to create, grant, offer, issue and allot at any time, to or for the benefit of, such persons who are in permanent employment of the Company and its holding / subsidiary

companies, in the management cadre, whether working in India or outside India, including any managing or whole-time directors of the Company, its holding / subsidiary companies (selected on the basis of criteria decided by the Board or Nomination, Remuneration and Compensation Committee thereof) under the Scheme 2018, such number of stock options (comprising of options and/ or restricted stock units, as the case may be) (the "Stock Options") exercisable into not more than 6,37,445 equity shares of ₹ 10/- each (the "Equity Shares") being 0.23% of the paid-up equity share capital of the Company as on 31<sup>st</sup> March, 2018 (or such other number adjusted in terms of Scheme 2018 as per applicable law), at such price, in one or more tranches and on such terms and conditions as may be fixed or determined by the Board in accordance with the SEBI SBEB Regulations or other provisions of law as may be prevailing at that time.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division or other reorganisation of capital structure of the Company, as applicable from time to time, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under applicable laws, so as to ensure a fair and reasonable adjustment to the Stock Options granted earlier. Further, the above ceiling of 0.23% i.e., 6,37,445 Equity Shares shall be deemed to be increased to the extent of such additional Equity Shares issued.

RESOLVED FURTHER THAT in case the Equity Shares are either sub-divided or consolidated, then the number of Equity Shares to be transferred on exercise of Stock Options and the exercise price of Stock Options shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹ 10/- per Equity Share bears to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the employees who have been granted Stock Options under the Scheme 2018.

RESOLVED FURTHER THAT the Board be and is hereby authorised to formulate, evolve, decide upon and implement the Scheme 2018 and determine the detailed terms and conditions of the aforementioned Scheme 2018 including but not limited to the quantum of the Stock Options to be granted per employee in each tranche, the exercise period, the vesting period, the vesting conditions, instances where such Stock Options shall lapse and to grant such number of Stock Options, to such employees and directors of the Company and its holding/ subsidiary companies, at par or at such other

price, at such time and on such terms and conditions as set out in the Scheme 2018 and as the Board may in its absolute discretion think fit, subject to applicable laws.

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to settle all questions, difficulties or doubts that may arise in relation to formulation and implementation of the Scheme 2018 at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to make any modifications, changes, variations, alterations or revisions in the Scheme 2018, as it may deem fit, from time to time or to suspend, withdraw or revive the Scheme 2018 from time to time in conformity with the provisions of the Companies Act, 2013 (including any rules or regulations made thereunder), the SEBI SBEB Regulations and other applicable laws unless such variation, amendment, modification or alteration is detrimental to the interest of the employees who have been granted Stock Options under the Scheme 2018.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things, as it may in its absolute discretion, deems necessary including authorising or directing the appointment of various intermediaries, experts, professionals, independent agencies and other advisors, consultants or representatives, being incidental to the effective implementation and administration of the Scheme 2018, as also to prefer applications to the appropriate authorities, parties and the institutions for their requisite approvals, if any, required by the Securities and Exchange Board of India / the stock exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any powers conferred herein, to any committee of directors, with power to further delegate such powers to any executives/ officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary in this regard."

2. **To approve the extension of benefits of the UltraTech Cement Limited Employee Stock Option Scheme 2018 to the permanent employees in the management cadre, including managing and whole-time directors, of the holding and the subsidiary companies of the Company and to consider and if thought fit, to pass the following resolution as a Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 67 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Memorandum and Articles of Association of the Company, the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (the “SEBI SBEB Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, any rules, guidelines and regulations issued by the Reserve Bank of India or any other regulatory or governmental authority and any other applicable laws for the time being in force and subject to such approvals, consents, permissions and sanctions, as may be required, and further subject to such terms and conditions as may be prescribed while granting such approvals, consents, permissions and sanctions and which may be agreed to and accepted by the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include any duly constituted committee, including the Nomination, Remuneration and Compensation Committee constituted by the Board to exercise its powers conferred by this Resolution) consent of the Members be and is hereby accorded to the Board to extend the benefits and coverage of the Scheme 2018 (referred to in the Resolution under Item No. 1 of this Notice) to such persons who are in permanent employment of any present and future holding and subsidiary companies of the Company in the management cadre, whether working in India or outside India, including any managing or whole - time directors (selected on the basis of criteria decided by the Board or Nomination, Remuneration and Compensation Committee thereof) under the Scheme 2018 in the manner mentioned in the Resolution under Item No. 1 of this Notice on such terms and conditions as may be fixed or determined by the Board in accordance with the SEBI SBEB Regulations or other provisions of law as may be prevailing at that time.

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper to settle any questions, difficulties or doubts that may arise in this regard.”

3. **To approve (a) the use of the trust route for the implementation of the UltraTech Cement Limited Employee Stock Option Scheme 2018 (Scheme 2018); (b) secondary acquisition of the equity shares of the Company by the trust to be set up; and (c) grant of financial assistance / provision of money by the Company to the trust to fund the acquisition of its equity shares, in terms of the Scheme 2018 and to consider and if thought fit, to pass the following resolution as a Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 67 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Memorandum and Articles of Association of the Company, the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (the “SEBI SBEB Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, any rules, guidelines and regulations issued by the Reserve Bank of India or any other regulatory or governmental authority and any other applicable laws for the time being in force and subject to such approvals, consents, permissions and sanctions, as may be required, and further subject to such terms and conditions as may be prescribed while granting such approvals, consents, permissions and sanctions and which may be agreed to and accepted by the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include any duly constituted committee, including the Nomination, Remuneration and Compensation Committee constituted by the Board to exercise its powers conferred by this Resolution) consent of the Members be and is hereby accorded to the Board to:

- (a) implement the UltraTech Cement Limited Employee Stock Option Scheme 2018 (the “Scheme 2018”) through the trust to be setup for this purpose in accordance with the SEBI SBEB Regulations;
- (b) acquire, hold and deal in such number of equity shares of the Company acquired from the secondary market through the trust that may be set up in this regard, not exceeding 6,37,445 fully paid-up equity shares of the Company of face value of ₹ 10/- each (the “Equity Shares”), being below the ceiling of 5% of the paid-up equity share capital of the Company as on 31<sup>st</sup> March, 2018, as prescribed under the SEBI SBEB Regulations, for the purpose of implementation of the Scheme 2018, or for any other purpose(s) as contemplated under and in due compliance with the provisions of the SEBI SBEB Regulations;

- (c) extend an interest free financial assistance / provision of money to the trust not exceeding ₹ 292 crores (rupees two hundred and ninety-two crores only) for acquisition of upto 6,37,445 Equity Shares from the secondary market through the stock exchanges, representing 0.23% of the paid-up equity share capital of the Company for the purpose of implementation of the Scheme 2018, in accordance with the Companies Act, 2013 and Rules made thereunder and the SEBI SBEB Regulations.

RESOLVED FURTHER THAT the Equity Shares that can be acquired from the secondary market in any financial year by the trust shall not exceed 2% of the paid-up equity share capital (or such other limit as may be prescribed under the SEBI SBEB Regulations from time to time) as at the end of the financial year preceding the date of the intended acquisition.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division or other reorganisation of capital structure of the Company, the number of Equity Shares of the Company to be acquired from the secondary market by the trust shall be appropriately adjusted and to give effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under applicable laws, so as to ensure a fair and reasonable adjustment to the Stock Options granted earlier. Further, the above ceiling of 0.23% equity shares shall be deemed to be increased to the extent of such additional Equity Shares issued.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any powers conferred herein, to any committee of directors, with power to further delegate such powers to any executives/ officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary in this regard."

By Order of the Board  
For UltraTech Cement Limited



S. K. Chatterjee  
Company Secretary

Place: Mumbai  
Date: 18<sup>th</sup> July, 2018

**NOTES:**

1. The Explanatory Statement for the proposed special businesses, pursuant to Section 102 read with Section 110 of the Act is given hereunder.
2. A copy of this notice has been placed on the website of the Company [www.ultratechcement.com](http://www.ultratechcement.com) and shall remain on the website until the last date for receipt of the postal ballots from the Members.
3. The Postal Ballot Notice is being sent to the Members of the Company whose names appear on the Register of Members/ List of Beneficial Owners as received from the National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") as on Friday, 24<sup>th</sup> August, 2018. The Postal Ballot Notice is being sent to Members in electronic form to the email addresses registered by them with the depository participants (in case of electronic shareholding) / the Company's Registrar and Transfer Agents (in case of physical shareholding). For Members whose email IDs are not registered, physical copies of the Postal Ballot Notice are being sent by permitted mode along with a postage prepaid self-addressed Business Reply Envelope.
4. Members whose names appear on the Register of Members/ List of Beneficial Owners as on Friday, 24<sup>th</sup> August, 2018 will be considered for the purpose of voting.
5. The Members can opt for only one mode of voting, i.e., either by physical ballot or e-voting. In case Members cast their votes through both the modes, votes cast through e-voting shall be treated as valid and votes cast through physical Postal Ballot Form will be treated as invalid.
6. In case a Member is desirous of obtaining a printed Postal Ballot Form or a duplicate, he or she may send an e-mail to [sharesutcl@adityabirla.com](mailto:sharesutcl@adityabirla.com). The Registrar and Transfer Agent / the Company shall forward the same along with postage-prepaid self- addressed Business Reply Envelope to the Member.
7. Members who have received the Postal Ballot Notice by e-mail and who wish to vote through Physical Form may download the Postal Ballot Form attached in the e-mail or from the Company's website [www.ultratechcement.com](http://www.ultratechcement.com) and send the duly completed and signed Postal Ballot Form to the Scrutinizer so as to reach on or before 5:00 p.m. (IST) on Thursday, 4<sup>th</sup> October, 2018.
8. Voting rights shall be reckoned on the paid-up value of equity shares registered in the name of the Members as on Friday, 24<sup>th</sup> August, 2018. A person who is not a Member on that date should treat this notice for information purpose only.

9. Members desiring to exercise their vote by physical Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed, in the enclosed postage prepaid self-addressed Business Reply Envelope to the Scrutinizer, so that it reaches the Scrutinizer not later than close of working hours at 5:00 p.m. (IST) on Thursday, 4<sup>th</sup> October, 2018. The postage will be borne by the Company. However, envelopes containing Postal Ballots, if sent by courier or registered/speed post at the expense of the Members will also be accepted. Any Postal Ballot received after 5:00 p.m. (IST) on Thursday, 4<sup>th</sup> October, 2018 will be considered invalid.
10. In compliance with Sections 108 and 110 of the Act read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide e-voting facility to the Members to exercise their votes electronically and vote on the resolutions through the e-voting service facility arranged by Karvy Computershare Private Limited ("Karvy") having address at Karvy Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032. The instructions for e-voting are provided hereunder.
11. The Board of Directors of the Company by resolution dated 18<sup>th</sup> July, 2018 appointed Mr. B. Narasimhan, Company Secretary of M/s. B. N. & Associates, Company Secretaries as the Scrutinizer for conducting the postal ballot voting process and the electronic voting process in a fair and transparent manner.
12. The Scrutinizer will submit his report to the Chairman or any other person authorised by him, after completion of scrutiny of postal ballot and the scrutiny of e-voting in a fair and transparent manner. The results of the postal ballot along with the Scrutinizer's report will be displayed on the Company's website [www.ultratechcement.com](http://www.ultratechcement.com) and communicated to the stock exchanges where the Company's shares are listed. The results will also be published in newspapers. The resolutions, if passed by requisite majority, shall be deemed to have been passed on the last date for receipt of the duly completed Postal Ballot Form or e-voting.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 READ WITH SECTION 110 OF THE ACT:**

**Item Nos. 1 and 2**

**Approval and adoption of UltraTech Cement Limited Employee Stock Option Scheme 2018 (the "Scheme 2018") and to approve the Extension of Benefits of the Scheme 2018 to the permanent employees in the management cadre, including managing and whole-time directors, of holding and the subsidiary companies of the Company:**

Stock options in the hands of the employees have long been recognised as an effective instrument to align the interests of the

employees with that of the Company and its shareholders, providing an opportunity to the employees to share in the growth of the Company and to create wealth in the hands of the employees.

Accordingly, the Company intends to reward, attract, motivate and retain employees and directors of the Company, its holding and subsidiary companies for their high level of individual performance and for their efforts to improve the financial performance of the Company. The eligible employees shall be granted employee stock options in the form of options ("Options") and/ or restricted stock units ("RSUs") which will be exercisable into equity shares of ₹ 10/- each of the Company (the "Equity Shares") upon such terms and conditions applicable to the Options and RSUs, as the case may be. Towards this end, the Company has proposed to adopt the 'UltraTech Cement Limited Employee Stock Option Scheme 2018' (the "Scheme 2018"). The Board of Directors of the Company through a resolution dated 18<sup>th</sup> July, 2018 approved the broad framework of the Scheme 2018.

The Members are informed that the Company intends to offer not more than 6,37,445 Equity Shares under the Scheme 2018 by way of grant of Options and RSUs. Options and RSUs are collectively referred to as "Stock Options". The Scheme 2018 will be administered by the Nomination, Remuneration and Compensation Committee of the Board constituted pursuant to the provisions of Section 178 of the Companies Act, 2013 through a trust, viz. the UltraTech Employees Welfare Trust to be setup for this purpose.

To promote the culture of employee ownership, approval of Members is being sought for grant of Stock Options to certain employees and directors of the Company, its holding and subsidiary companies.

The Scheme 2018 is being formulated in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI SBEB Regulations"). Relevant details with respect to the aforementioned Scheme 2018 are as follows:

**(i) Total number of Options and RSUs (collectively, the "Stock Options") to be granted**

The total number of Stock Options that may in the aggregate be granted shall be such number that would entitle the grantees to acquire, in one or more tranches, such equity shares of the Company not exceeding 6,37,445 equity shares of ₹ 10/- each (the "Equity Shares") being 0.23% of the paid-up equity share capital of the Company. The aggregate number of Stock Options proposed to be granted under the Scheme 2018, shall not be exercisable into more than 0.23% of the overall ceiling of Equity Shares to be issued under the Scheme 2018 (which number shall be adjusted in lieu of adjustments/ re-organisation of capital structure of the Company from time to time). Upon exercise, each Stock Option entitles the relevant grantee to one Equity Share (i.e. one Option will entitle the grantee to one Equity Share and one RSU will entitle the grantee to one Equity Share).

In case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division, split or consolidation and others, a fair and reasonable adjustment needs to be made to the Stock Options granted. Accordingly, if any additional Equity Shares are issued by the Company to the grantees for making such fair and reasonable adjustment, the ceiling of 6,37,445 shall be deemed to be increased to the extent of such additional Equity Shares issued.

Stock Options not vested due to non-fulfilment of the vesting conditions, vested Stock Options which the grantees expressly refuse to exercise, Stock Options (vested and not exercised and unvested) which have been surrendered and any Stock Options granted but not vested or exercised within the stipulated time due to any reasons, shall lapse and these Stock Options or the underlying Equity Shares will be available for grant under the present Scheme 2018 or under a new scheme, subject to compliance with applicable laws.

**(ii) Identification of classes of employees entitled to participate in the Scheme 2018**

Persons who are permanent employees of the Company in the management cadre, working in or out of India, including managing or whole-time directors of the Company, and that of the holding and/or subsidiary companies, will be entitled to participate in the Scheme 2018, subject to fulfilment of the eligibility criteria as may be specified in terms of the SEBI SBEB Regulations or as may be decided by the Board or the Nomination, Remuneration and Compensation Committee, from time to time. The following category of employees/directors shall not be eligible to participate in the Scheme 2018:

- (a) a promoter or a person belonging to the promoter group;
- (b) an independent director;
- (c) a director who either by himself/ herself or through his/ her relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company.

**(iii) Requirements of vesting and period of vesting**

The Board or the Nomination, Remuneration and Compensation Committee may, at its discretion, lay down certain criteria including, but not limited to, the performance metrics on the achievement of which the granted Stock Options would vest and which may be specified in the respective grant letters or the vesting letters to be issued in this regard. The detailed terms and conditions relating to such criteria for vesting, the period over which and the proportion in which the Stock Options granted would vest will be subject to the minimum and maximum vesting period as specified below.

Vesting period for Options: The Options would vest not earlier than one year and not later than four years from the date of

grant of Options or such other period as may be determined by the Nomination, Remuneration and Compensation Committee. The vesting schedule (i.e. exact proportion in which and the exact period over which the Options would vest) would be determined by the Nomination Remuneration and Compensation Committee, subject to the minimum vesting period of one year from the date of grant of Options. The Options granted under the Scheme 2018 shall vest in one or more tranches.

Vesting period for RSUs: The RSUs would vest not earlier than one year and not later than three years from the date of grant of RSUs or such other period as may be determined by the Nomination, Remuneration and Compensation Committee. The vesting schedule (i.e. exact proportion in which and the exact period over which the RSUs would vest) would be determined by the Nomination, Remuneration and Compensation Committee, subject to the minimum vesting period of one year from the date of grant of RSUs. The RSUs granted under the Scheme 2018 shall vest in one or more tranches.

**(iv) Exercise price or pricing formula**

Exercise price for Options: The Equity Shares to be transferred pursuant to the exercise of the Options would be transferred at the market price of the Equity Shares or at such other price as may be decided by the Board or the Nomination, Remuneration and Compensation Committee from time to time in compliance with the SEBI SBEB Regulations. Provided that the exercise price per option shall not be less than the face value of the equity share of the Company.

Exercise price for RSUs: Upon exercise of the RSUs the Equity Shares may be transferred at face value of the equity share of the Company or at such price as may be determined by the Board or Nomination, Remuneration and Compensation Committee provided that the exercise price per RSU shall not be less than the face value of the equity share of the Company.

**(v) Exercise period or process of exercise**

The exercise period would commence from the date of vesting and will expire on completion of five years from the date of vesting of Stock Options or such other period as may be determined by the Board or the Nomination, Remuneration and Compensation Committee.

During the exercise period relating to each vesting, vested Options and vested RSUs can be exercised in one or more tranches, such that each tranche will be a minimum of 100 Options or 100 RSUs, as the case may be, except in cases where the number of vested Options is less than 100 or where the number of outstanding vested RSUs is less than 100.

The Stock Options will be exercisable by the Employees through a written application to the Company accompanied

by payment of the exercise price in such manner and on execution of such documents, as may be prescribed by the Board or the Nomination, Remuneration and Compensation Committee from time to time. The Stock Options will lapse if not exercised within the specified exercise period.

**(vi) The Appraisal process for determining the eligibility of employees**

The appraisal process for determining the eligibility of the employees will be specified by the Board or the Nomination, Remuneration and Compensation Committee, and will be based on criteria, such as role / criticality of the employee, length of service with the Company, work performance, technical knowledge, managerial level, future potential and such other criteria that may be determined by the Board or the Nomination, Remuneration and Compensation Committee, as applicable, at its sole discretion. The Board or the Nomination, Remuneration and Compensation Committee may decide to extend the benefits of the Scheme 2018 to new entrants or to existing employees on such basis as it may deem fit, in accordance with applicable law.

**(vii) Disclosure and accounting policies**

The Company shall comply with such applicable disclosure and accounting policies as prescribed by the SEBI SBEB Regulations and those prescribed by the concerned authorities from time to time.

**(viii) Maximum number of Stock Options to be issued per employee and in aggregate**

The maximum number of Stock Options to be granted to any employee shall be decided by the Board or Nomination, Remuneration and Compensation Committee. However, the number of Stock Options that may be granted to a single employee under the Scheme 2018 shall not exceed 0.5% of the paid-up equity share capital at the time of grant of Stock Options (which shall be adjusted in lieu of adjustments/ re-organisation of capital structure of the Company from time to time). The aggregate of all such Stock Options shall not result into more than 6,37,445 Equity Shares which shall be adjusted in lieu of corporate actions, adjustments/ re-organisation of capital structure of the Company from time to time.

**(ix) Implementation and Administration**

The Scheme shall be administered by the Nomination, Remuneration and Compensation Committee through a Trust. Further, secondary acquisition of the Equity Shares from the stock exchanges, for the purposes of implementing the Scheme 2018 would only be undertaken by the Trust. The Company believes that the implementation of the Scheme 2018 through secondary market acquisition is in the best interest of the Company and its shareholders and it will not create any dilution in their shareholding besides being easier and efficient in implementation. The Trust shall be authorised

to acquire Equity Shares of the Company from the secondary market. The Company proposes to provide financial assistance to the Trust for this purpose, in accordance with applicable laws.

**(x) Whether the Scheme 2018 involves new issue of Equity Shares by the Company or secondary acquisition or both**

The Scheme 2018 will only involve secondary acquisition of Equity Shares by the Trust through the recognised stock exchanges. The secondary acquisition of Equity Shares will be undertaken in compliance with the SEBI SBEB Regulations and other applicable laws.

**(xi) The amount of financial assistance / provision of money to be provided for the implementation of the Scheme 2018 by the Company to the trust, its tenure, utilisation, repayment terms.**

The Company shall make interest free financial assistance / provision of money, from time to time, for an amount upto ₹ 292 crores (rupees two hundred and ninety-two crores only) to fund the acquisition of Equity Shares by the Trust from the stock exchanges through secondary acquisition, in terms of the Scheme 2018. Further financial assistance / provision of money, if any, to be provided to the Trust by the Company in pursuance of the Scheme 2018, on account of increase in the price of the Equity Shares, will be extended in accordance with applicable laws. The Exercise price received from the employees upon exercise of Stock Options shall be used for the purposes of repayment to the Company.

**(xii) Maximum percentage of secondary acquisition (subject to the limits specified under the SEBI SBEB Regulations) that can be made by the Trust for the purposes of the Scheme 2018**

In terms of the Scheme 2018 and in accordance with SEBI SBEB Regulations, the Trust that may be set up for the implementation of the Scheme 2018 may acquire Equity Shares through secondary acquisition such that secondary acquisition in a financial year shall not exceed 2% of the paid-up equity share capital of the Company as at the end of the previous financial year. As at 31<sup>st</sup> March, 2018, 2% of the paid-up equity share capital of the Company comprised 54,92,279 Equity Shares. Further, in terms of the SEBI SBEB Regulations, the total Equity Shares to be held by the Trust shall not exceed 5% of the paid-up equity share capital as at the end of the financial year immediately prior to the year in which the shareholder approval is obtained. As at 31<sup>st</sup> March, 2018, 5% of the paid-up equity share capital of the Company comprised 1,37,30,699 Equity Shares.

**(xiii) Method of Stock Options' valuation**

To calculate the employee compensation cost, the Company shall use the Fair Value Method for valuation of the Options granted or such valuation method as may be prescribed from

time to time in accordance with applicable laws. In the event the Company undertakes valuation as per the intrinsic value method, the difference between the employee compensation cost so computed and the cost that shall have been recognised if it had used the fair value of the Stock Options, shall be disclosed in the Directors' Report and also the impact of this difference on profits and on Earnings Per Share of the Company shall also be disclosed in the Directors' Report.

**(xiv) Transferability of Stock Options**

The Stock Options granted to an employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of a Stock Option holder while in employment, the right to exercise all the Stock Options granted to him till such date shall be transferred to his legal heirs or nominees, as prescribed.

**(xv) Other Terms**

The Board or Nomination, Remuneration and Compensation Committee shall have the absolute authority to vary or modify the terms of the Scheme 2018 in accordance with the regulations and guidelines prescribed by Securities and Exchange Board of India, including in terms of the SEBI SBEB Regulations or regulations that may be issued by any appropriate authority, from time to time, unless such variation, modification or alteration is detrimental to the interest of the employees who have been granted Stock Options under the Scheme 2018.

SEBI SBEB Regulations also require separate approval of Members by way of special resolution to grant stock options to the employees of the Company's holding and subsidiary company(ies). Accordingly, a separate resolution under Item No. 2 is proposed, to extend the benefits of Scheme 2018 to the employees of the Company's holding and subsidiary company(ies), as may be decided by the Nomination, Remuneration and Compensation Committee from time to time, under applicable laws.

None of the Directors and Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested in the resolutions, except to the extent of the Equity Shares that may be offered to them under the Scheme 2018. The Stock Options to be granted under the Scheme 2018 shall not be treated as an offer or invitation made to the public for subscription in the securities of the Company.

The Board recommends Resolution Nos. 1 and 2 for approval of the Members of the Company.

**Item No. 3**

**To approve (a) the use of the trust route for the implementation of the UltraTech Cement Limited Employee Stock Option Scheme 2018 (Scheme 2018); (b) secondary acquisition of the equity shares of the Company by the trust to be set up; and (c) grant of financial assistance / provision of money by the Company to the trust to fund the acquisition of its equity shares, in terms of the Scheme 2018:**

As indicated in the explanatory statement pertaining to Item

No. 1 and 2, the Board of Directors of the Company through a resolution dated 18<sup>th</sup> July, 2018 approved the broad framework of the UltraTech Cement Limited Employee Stock Option Scheme 2018 (the "Scheme 2018"). Further, the Scheme 2018 shall be administered by the Nomination, Remuneration and Compensation Committee through a Trust. Further, in terms of the Scheme 2018 and in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended (the "SEBI SBEB Regulations"), the trust may acquire Equity Shares through secondary acquisition such that secondary acquisition in a financial year shall not exceed 2% of the paid-up equity share capital of the Company as at the end of the previous financial year. As at 31<sup>st</sup> March, 2018, 2% of the paid-up equity share capital of the Company comprised 54,92,279 Equity Shares. Further, in terms of the SEBI SBEB Regulations, the total Equity Shares to be held by the trust shall not exceed 5% of the paid-up equity share capital as at the end of the financial year immediately prior to the year in which the shareholder approval is obtained. As at 31<sup>st</sup> March, 2018, 5% of the paid-up equity share capital of the Company comprised 1,37,30,699 Equity Shares.

In accordance with the SEBI SBEB Regulations, a separate resolution is required to be passed as a special resolution by Members of the Company, if the implementation of the Scheme 2018 involves setting up of a Trust, secondary acquisition of Equity Shares and provision of money whether by way of a financial assistance or otherwise. Therefore, a separate resolution is proposed for secondary acquisition of Equity Shares for the implementation of the Scheme 2018 through a Trust to be setup for this purpose, and providing financial assistance / provision of money for such acquisition in accordance with applicable laws.

Upon approval of the Members and after complying with the procedural and statutory formalities, the Trust is empowered to acquire in one or more tranches, upto 6,37,445 Equity Shares of the Company from the secondary market through the stock exchanges, representing 0.23% of the paid-up equity share capital of the Company for the implementation of the Scheme 2018.

The Company proposes to provide financial assistance / provision of money to the Trust up to ₹ 292 crores (rupees two hundred and ninety-two crores). The financial assistance / provision of money shall be interest free and will be utilised for implementation of the Scheme 2018. As and when the exercise price is recovered from the employees, from time to time, upon exercise of options, the Trust shall repay the money to the Company.

**The relevant disclosures, as required under Section 67 read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 are as follows:**

- a. **The class of employees for whose benefit the Scheme is being implemented and money is being provided for subscription to shares**

Refer point (ii) in Explanatory Statement relating to item Nos. 1 and 2 above.



**b. The particulars of the trustee in whose favour such shares are to be registered**

Same as (c) below

**c. The particulars of trust and name, address, occupation and nationality of trustees and their relationship with the promoters, directors and key managerial personnel**

Name of the Trust: UltraTech Employees Welfare Trust

Address of the Trust:

C/o UltraTech Cement Limited

B Wing, Ahura Centre, 2<sup>nd</sup> Floor,

Mahakali Caves Road,

Andheri (East),

Mumbai – 400 093.

Particulars of the Trustees are given below :-

Sr. No.	Name	Address	Occupation	Nationality
1	Mr. Anil Malik	Birla Centurion, Pandurang Budhkar Road, Worli, Mumbai - 400 030	Service	Indian
2	Mr. Sushil Pareek	Birla Centurion, Pandurang Budhkar Road, Worli, Mumbai - 400 030	Service	Indian
3	Mr. Samik Basu	Birla Centurion, Pandurang Budhkar Road, Worli, Mumbai - 400 030	Service	Indian
4	Mr. Indrajit Pathak	Birla Centurion, Pandurang Budhkar Road, Worli, Mumbai - 400 030	Service	Indian

None of the above Trustees and their respective relatives are related to Promoters, Directors and Key Managerial Personnel of the Company. Subject to the compliance of the provisions of applicable law, the aforesaid Trustees may be changed at any time. In accordance with the SEBI SBEB Regulations, none of the Trustees hold 10% or more beneficial interest in the Company.

**d. Any interest of the key managerial personnel, directors or promoters in such Scheme or Trust and effect thereof**

The Promoters and Promoter Group are not interested in the Scheme 2018 or the Trust. Directors and Key Managerial Personnel may be deemed to be interested to the extent of Equity Shares as may be offered to them under the Scheme.

**e. The detailed particulars of benefits which will accrue to the employees from the implementation of the Scheme - 2018**

The Employees can exercise options granted to them to get Equity Shares.

**f. Details about who would exercise and how the voting rights in respect of the shares to be acquired under the Scheme 2018 would be exercised**

The SEBI SBEB Regulations provides that the Trustees of the Trust, which is governed under the SEBI SBEB Regulations, shall not vote in respect of the shares held by such Trust, so as to avoid any misuse arising out of exercising such voting rights.

In line with the requirements of the SEBI SBEB Regulations, the Trustees shall not exercise voting rights in respect of the Equity Shares held by the Trust pursuant to the Scheme 2018.

None of the Directors and Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested in the resolution and in appointment of Trustees, except to the extent of the Equity Shares that may be offered to them under the Scheme 2018. The Stock Options to be granted under the Scheme 2018 shall not be treated as an offer or invitation made to the public for subscription in the securities of the Company.

The Board recommends Resolution No. 3 for approval of the Members of the Company.

Regulation 6 of the SEBI SBEB Regulations requires that any employee stock option scheme for offering Options to the employees must be approved by the Members by way of a Special Resolution. Accordingly, the resolutions set out as Item Nos.1, 2 and 3 are being placed for the approval of the Members pursuant to the provisions of the Companies Act, 2013 and Regulation 6 of the SEBI SBEB Regulations and all other applicable provisions of law for the time being in force.

As per Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 all fees / compensation (including stock options) paid to non-executive directors, including independent directors, shall require previous approval of shareholders in general meeting. Since it is proposed to grant options to Directors of the Company whether whole-time directors or not, (but excluding Promoter, Promoter Group, Independent Directors, and a Director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding Equity Shares of the Company) resolutions set out in Item Nos. 1, 2 and 3 are placed for approval of the Members.

By Order of the Board  
For UltraTech Cement Limited



Place: Mumbai  
Date: 18<sup>th</sup> July, 2018

S. K. Chatterjee  
Company Secretary

## **INSTRUCTIONS FOR REMOTE E-VOTING**

1. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its Members facility to exercise their right to vote on resolution proposed to be considered through postal ballot by electronic means and the business may be transacted through e-voting services arranged by Karvy Computershare Private Limited ("Karvy").
2. The e-voting period commences on Wednesday, 5<sup>th</sup> September, 2018 at 9:00 a.m. (IST) and ends on Thursday, 4<sup>th</sup> October, 2018 at 5:00 p.m. (IST). During this period, Members of the Company may cast their vote by e-voting. The e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

The process and manner for e-voting are as under:

### **A. In case a Member receives an e-mail from Karvy (for Members whose e-mail addresses are registered with the Company/ Depository Participants):**

- (i) Launch internet browser by typing the URL: <https://evoting.karvy.com>.
- (ii) Enter the login credentials (i.e. User ID and Password which are mentioned in the email). Your Folio No./ DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
- (iii) After entering these details appropriately, Click on "LOGIN".
- (iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- (v) You need to login again with the new credentials.
- (vi) On successful login, the system will prompt you to select the "EVENT" i.e., UltraTech Cement Limited.
- (vii) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- (viii) Members holding multiple folios/demat accounts shall choose the voting process separately for each folios/demat accounts.
- (ix) You may then cast your vote by selecting an appropriate option and click on "Submit".
- (x) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the resolution(s).
- (xi) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter/ Power of Attorney, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: [ultratechevoting@karvy.com](mailto:ultratechevoting@karvy.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com). The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_ EVENT NO."

### **B. In case a Member receives physical copy of the Postal Ballot Notice (for members whose email IDs are not registered with the Company/ Depository Participant or requesting physical copy)**

1. User ID and initial password are provided at the bottom of the Postal Ballot Form in the following format:

User ID	Password
-	-

2. Please follow all steps from Sr. No. (i) to Sr. No. (xi) above in (A), to cast your vote.

**C. Other Instructions:**

- I. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Friday, 24<sup>th</sup> August, 2018.
- II. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date shall only be entitled to avail the facility of e-voting.
- III. The Board of Directors have appointed Mr. B. Narasimhan, Company Secretary of M/s. B. N. & Associates, Company Secretaries as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

- IV. The results declared along with the Scrutinizer's report shall be placed on the Company's website [www.ultratechcement.com](http://www.ultratechcement.com) and on the website of Karvy [www.evoting.karvy.com](http://www.evoting.karvy.com) immediately after the result declared by the Chairman or any other person authorised by the Chairman and the same shall be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.
- V. A Member having any grievance pertaining to postal ballot process can contact Mr. Satish Poojari, Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032, Tel. No. 040-67162222, Fax No.: 040-23420814, email ID: [ultratech.ris@karvy.com](mailto:ultratech.ris@karvy.com).
- VI. In case of any queries, please visit Help and Frequently Asked Questions (FAQs) section available at Karvy's website [www.evoting.karvy.com](http://www.evoting.karvy.com).

This page is intentionally left blank