

# UNITED DRILLING TOOLS LTD.

CIN : L29199DL1985PLC015796

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## POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013)

Dear Member(s),

Notice is hereby given, pursuant to the provision of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Management and Administration) Rules, 2014, (including any statutory modification or re-enactment(s) thereof for the time being in force), that the resolutions appended below are proposed to be passed by the members through postal ballot/electronic voting (e-voting). The explanatory statement pertaining to the aforesaid resolutions setting out the material facts concerning each item and the reasons thereof is annexed hereto with the Postal Ballot form for your consideration.

The Board of Directors of the company has appointed Mr. Balraj Sharma, Company Secretary in Practice, as Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner.

You are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed in all respects, in the enclosed self-addressed Business Reply Envelope, so as to reach the Scrutinizer not later than 5.00 PM on Monday, the 30<sup>th</sup> April, 2018. Postage will be borne and paid by the company. Postal Ballot Forms, if sent at the expense of the members, will also be accepted. The Postal Ballot forms may also be deposited personally at the address given in the Business reply envelope. Please note that any form(s) received after the said date and time will be strictly treated as if no reply has been received.

Members may vote either by way of Postal Ballot or by way of remote e-voting. The Company has engaged the services of Central Depository Services Limited (CDSL) for the purpose of providing e-voting facility to all its Members. In case a Member has voted through remote e-voting facility, he/she is not required to send the physical Postal Ballot Form. In case a Member votes through remote e-voting facility as well as sends his/her vote through physical Postal Ballot Form, the vote cast through remote e-Voting shall only be considered and the voting through physical postal ballot shall not be considered by the Scrutinizer.

Members desiring to exercise their vote by using e-voting facility are requested to carefully read and follow the instructions in the Notes under the Section 'Voting through electronic means'.

The scrutinizer will submit his report to the Chairman or any other authorized person of the company after completion of scrutiny of the Postal Ballots (including e-voting). The results of the Postal Ballot (including e-voting) shall be declared by the Chairman or any other authorized person of the company on Wednesday, 02<sup>nd</sup> May, 2018 at 05:00 P.M. at the Registered office of the company. The aforesaid results would be displayed at the said address and posted on the website of the company <http://www.udtltd.com/> along with the scrutinizer report and intimated to the stock exchanges where the shares of the Company are listed and to the depository.

### Special Business:-

#### ITEM NO. 1 - TO AMEND MEMORANDUM OF ASSOCIATION OF THE COMPANY TO ALIGN IT WITH THE COMPANIES ACT, 2013

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

**“RESOLVED THAT** pursuant to the provision of Section 4 of Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with rules made thereunder and subject to necessary approvals, permissions, consents and sanctions required, if any, by the statutory authorities and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions and which may be agreed by the Board of Directors of the company, consent of the shareholders of the company be and is hereby accorded for effecting the following amendments in the existing Memorandum of Association (MOA) of the company to align it with the Table A of the Schedule-I of the Companies Act, 2013:-

- a) To amend the heading of Memorandum of Association by replacing words 'The Companies Act, 1956' with the words 'The Companies Act, 2013'.
- b) To number subscriber table as Clause VI in the Memorandum of Association of the Company;

**“RESOLVED FURTHER THAT** the Board of Directors and/or Company Secretary of the Company be and are hereby authorized jointly or severally, on behalf of the Company, to do all such acts, deeds, matters and things and to file such e-forms and to execute all such documents, papers and writings as may be necessary, proper or expedient to give effect to the aforesaid resolution.”

## **ITEM NO. 2 – TO AMEND OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY**

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

**“RESOLVED THAT** pursuant to the provision of Section 13 of Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with rules made thereunder and pursuant to the guidelines, regulations, circulars and clarifications issued by the Securities and Exchange Board of India (SEBI), and any other statutory or regulatory authority(ies) and subject to all necessary approvals, consents, permissions and / or sanctions as may be required by the jurisdictional Registrar of Companies or any other statutory authorities and subject to such conditions and modifications as may be prescribed or imposed by any one or more of them while granting any such approvals, consents, permissions or sanctions and which may be agreed by the Board of Directors of the Company, the consent of the shareholders of the company be and is hereby accorded for effecting the following amendment in the existing Object Clause of the Memorandum of Association (MOA) of the company:-

- a) To substitute the heading of Clause III (A), “*THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE*” with the heading “*THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE :-*”
- b) To Insert the following sub-clause numberas 8in Clause III (A) of the Memorandum of Association of Company:
  8. To carry on the business of manufacturing, buying, selling, reselling, importing, exporting, transporting, storing, developing, promoting, marketing or supplying, trading, dealing in any manner whatsoever in oil drilling machines, boring or exploring equipments, wireline and Gas Lift Valve equipments such as Wireline winches, Conventional & Wire Line Retrievable Gas Lift Valves components & accessories, Conventional and Side Pocket Mandrels, Large OD Casing Pipes, Pup Joints, Cross Over and other accessories, high performance multi start connectors, integral blade and replaceable sleeve, stabilizers and other down hold equipments and other related equipments, all types of equipments/units for specialized services, such as directional drilling, all types of casing pipes, drill pipes, production tubing, pup joints, connections, coupling, Kelly, cross overs and swages, Drive Pipes, all types of drilling bits and related tools, all types of valves including high pressure valves and related equipment, machinery, designs and articles of all kinds and the other necessities required in the oil drilling and gas operation and the petroleum industry or otherwise deal in all types of goods, articles, materials and things of every description and kind on retail as well as on wholesale basis in India or elsewhere and for the above said purposes to undertake the necessary activities to promote sales of goods, services and merchandise manufactured/dealt with/provided by the Company
- c) To substituting the heading of Clause III (B), “*OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS:*” with the heading “*MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III(A) ARE:-*”
- d) To substitute sub-clause 21, 26, 30 and 36 of Clause III (B) of the Memorandum of Association of the Company with the following sub-clauses:
  21. Subject to Sections 73, 74 and 179, 185 and 186 of the Companies Act, 2013 and the Regulations made therein and the directions issued by the Reserve Bank of India to borrow, raise or secure the payment of money or to receive money as loan, at interest for any of the objects of the Company and at such time or times as may be expedient by promissory notes, bills of exchange, hundies, bills of lading, warrants or such other negotiable instruments of all types or by taking credit in or opening current accounts or over-draft accounts with any person, firm, bank or company and whether with or without any security or by such other means, as may deem expedient and in particular by the issue of debentures or debenture stock, perpetual or otherwise and in security for any such money so borrowed, raise or received and of any such debentures or debenture stock so issued, to mortgage, pledge or charge the whole or any part of the property and assets of the company both present and future, including its uncalled capital, by special assignment or otherwise or the transfer or convey the same absolutely or in trust or to give the lenders power of sale and other powers as may seem expedient and to purchase, redeem or pay off such securities and to invest in the securities in any bodies corporate, mutual funds etc. provided that the company shall not carry on the business of banking within the meaning of the Banking Regulation Act, 1949.
  26. To distribute as dividend or bonus among the members or to place to reserve or otherwise to apply, as the Company may from time to time think fit, any money received by way of premium on shares or debentures issued at a premium by the Company and monies received in respect of dividends accrued on forfeited shares, and monies, arising from the sale by the Company of forfeited shares, subject to the provisions of Companies Act, 2013.
  30. Subject to the provisions of Section 182 of the Companies Act, 2013 to subscribe, contribute, gift or donate any money, rights or assets for any national, educational, religious, charitable, scientific, public, general or useful objects or to make gifts or donations of the money or other assets to any institutions, clubs, societies associations, trusts, scientific research associations, funds, universities, colleges or any individual, body of individuals or bodies corporates.

36. To compensate for loss of office any Managing Director or Directors or other officers of the Company within the limitation prescribed under the Companies Act, 2013 or other statute or rule having the force of law and to make payments to any person whose office of employment or duties may, be determined by virtue of any transaction in which the Company is engaged.
- e) To insert following sub-clauses after sub-clause 40 in Clause III (B) of the Memorandum of Association of the Company:
41. To carry on business of trading and to act as commission agents, agents, sub-agents, distributors, representatives, warehouseman, transporters, carriers, merchants, stockists, exporters, importers and for that purpose buy, sell, exchange, market, pledge, distribute, handle or otherwise deal in several commodities, goods, articles, materials and things of every possible description and kind.
42. To insure the whole or any part of the property of the Company either fully or partially, to protect and indemnify the Company from liability or loss in any respect either fully or partially, and also to issue, and to protect and indemnify any part or portion thereof either on mutual principle or otherwise.
43. To enter into agreement with any company persons for obtaining by grant of license or on such other terms of all types, formulae and such other rights and benefits, technical information, know-how and expert guidance and equipment and machinery and things mentioned herein above and to arrange facilities for training of technical personnel by them.
44. Subject to the provisions of section 67 of the Companies act, 2013, to invest other than investment in company's own shares and deal with moneys of the company not immediately required in such shares or upon securities or investment and in such manner as may from time to time, be determined.
45. To assist in financing the sale of goods, articles, or commodities of all kind of description by way of hire purchase or deferred payment on similar transactions and to institute, enter into, carry on subsidies, finance or assist in subsidies or financing the sale and maintenance of goods, articles or commodities, all or of every kind and description upon any terms whatsoever to require and discount hire purchase or other arrangement or any right thereunder (whether proprietary or contractual) and generally to carry on business and to act as financiers, traders and commission agents, in any part of the world and to import, export, buy, sell, barter, exchange, pledge, make advance upon otherwise deal in goods, product, articles, and merchandise.
46. To contract with lease holders, borrowers, lenders, annuitants and others for establishments, accumulation, provision and payments of sinking funds, redemption funds, endowment funds and any other special funds and that either in consideration of a lump sum or of an annual premium or otherwise and generally on such terms and conditions as may be arranged.
47. To do all and everything necessary suitable or proper for the accomplishment of any of the purpose or the attainment of any of the objects or the furtherance of any of the powers hereinbefore set forth, either alone or in association with other corporate bodies, firms, or individuals, and to do every other act or acts, thing or things incidental or appurtenant to or growing out of or connected with the aforesaid business or powers or any part or parts thereof, provided the same be not inconsistent with the laws of the Union of India.
- f) To delete completely the Clause III (C) of Memorandum of Association of the Company which was dealing with 'Other Objects' of the Company from Clause III (C) 1 to Clause III © 51.

**“RESOLVED FURTHER THAT** the Board of Directors and/or Company Secretary of the Company be and are hereby authorized jointly or severally, on behalf of the Company, to do all such acts, deeds, matters and things and to file such e-forms and to execute all such documents, papers and writings as may be necessary, proper or expedient to give effect to the aforesaid resolution.”

### **ITEM NO. 3 - TO ISSUE EQUITY SHARES BY WAY OF BONUS ISSUE**

**To consider and, if thought fit, to pass, with or without modifications, the following resolution as ORDINARY RESOLUTION:**

**“RESOLVED THAT** pursuant to Section 63 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 14 of Companies (Share Capital and Debentures) Rules, 2014, the provisions of Securities and Exchange Board of India (“SEBI”) (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the “ICDR” Regulations), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”) (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force, to the extent notified and in effect), and other applicable regulations, rules and guidelines issued by SEBI and the Reserve Bank of India (“RBI”) from time to time, the enabling provisions of the Articles of Association of the Company and subject to such approvals, consents, sanctions, conditions and permissions as may be necessary from appropriate authority(ies) and subject to such terms and modifications, if any, imposed or suggested while granting such approvals and subject to acceptance of such conditions or acceptance by the board of directors, the consent of the members of the company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee or authorized person(s) which the Board has constituted or appointed to exercise its powers, as the case may be, including the powers, conferred by this Resolution) for capitalization of sum not exceeding **10,15,15,630 (Ten Crores Fifteen Lac Fifteen**

**Thousand Six Hundred Thirty)** from and out of the Capital Redemption Reserves, the securities premium account and/ or any other permitted reserve/ surplus of the Company, as may be considered appropriate, for the purpose of issuance of Bonus Equity Shares of Rs. 10 each (Rupees Ten Only) credited as fully paid up to the eligible members of the Company, whose names appear in the Register of Members on a "Record Date" as may be fixed in this regard by the Board/Committee in accordance with law for this purpose, in the proportion of 1 (One) Bonus Equity share of Rs. 10 each (Rupees Ten Only) for every 1 (One) fully paid up equity shares held by them and that the Bonus Equity Shares so distributed, for all purposes, be treated as an increase in the Paid Up Capital of the Company held by each members."

**"RESOLVED FURTHER THAT** the issue and allotment of the said Bonus Equity Shares to the extent that they relate to Non-Resident Indians (NRIs), Persons of Indian Origin / Overseas Corporate Bodies, Foreign Institutional Investors (FII) and other foreign investors of the company, will be subject to the approval of the Reserve Bank of India and any other regulatory authority, as the case may be."

**"RESOLVED FURTHER THAT** in case of fractional shares, if any, arising out of the issue and allotment of the Bonus Equity Shares, the Board be and is hereby authorized to make such suitable arrangements to deal with the fractions for the benefits of the eligible shareholders."

**"RESOLVED FURTHER THAT** the Bonus Equity Shares so allotted shall always be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company and shall rank pari passu in all respect with the existing fully paid up Equity Shares of the Company as existing on the Record Date."

**"RESOLVED FURTHER THAT** no letter of allotment shall be issued but in the case of members who hold shares in dematerialized mode, the Bonus Equity Shares shall be credited to the beneficiary accounts of the members maintained with Depository Participants and in case of members who hold shares in physical mode, the share certificate(s) in respect of the Bonus Equity Shares shall be dispatched within such time as prescribed by law and the relevant authorities."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of the Bonus Equity Shares on the Stock Exchanges where the Equity Shares of the Company are listed, in terms of the Listing Regulations and other applicable rules, regulations and guidelines."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question or difficulty that may arise in relation thereto, decide the exact number of Bonus Equity Shares to be issued based on the Paid up capital of the Company as obtaining on the Record Date and to delegate all such powers granted hereunder to a Committee of Directors and / or Company Secretary or any other officer(s) of the Company, as may deem fit or desirable and their decision shall be final and binding."

By order of the Board of Directors  
For **United Drilling Tools Limited**  
sd/-  
**Pramod Kumar Ojha**  
(Company Secretary)  
M. No. : 8698

Place : New Delhi  
Date : 19.03.2018

## **NOTES**

1. An explanatory statement pursuant to section 102 of the Companies Act, 2013, setting out the material facts and reasons for the proposed special resolution are annexed herewith.
2. The Postal ballot Notice is being sent to all the Members, whose names appear in the Register of Members / list of Beneficial Owners as received from National Securities Depository Limited ("NSDL") / Central Depository Services (India) Limited ("CDSL") as on **23<sup>rd</sup> March, 2018**. The Postal Ballot Notice is being sent to members in electronic form to the email address registered with their Depository participant (in case of electronic shareholding)/ the company's registrar and share transfer agent (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.
3. Members, whose names appear in the Register of Members / list of Beneficial Owners as on **23<sup>rd</sup> March, 2018**, will be considered for the purpose of voting. A person who is not a Member as on the relevant date should treat this notice for information purposes only.
4. Members can opt for only one mode of voting, i.e; either by Physical Postal Ballot or remote e-voting. In case Members cast their vote through both the modes, voting case through physical Postal Ballot Forms will be treated as invalid.
5. In case a member wishes to obtain a printed Postal Ballot Form or a duplicate, he or she may send an email to [compsect@udtltd.com](mailto:compsect@udtltd.com). The registrar and share transfer agent/company shall forward the same along with postage-prepaid self - addressed Business Reply envelope to the member.
6. Voting rights shall be reckoned on the paid up value of shares registered in the name of Members as on **23<sup>rd</sup> March, 2018**. The postal ballot period commences on **1<sup>st</sup> April, 2018 (10:00 a.m.) and ends on 30<sup>th</sup> April, 2018 (5:00 p.m.)**.

7. In compliance with section 108 and 110 of the Companies Act, 2013 and the Rules made thereunder, the company has provided the facility to Members to exercise their votes electronically and to vote on the resolutions specified above through e-voting service facility arranged by CDSL. The instruction for electronic voting are annexed to this notice.
8. Members wishing to exercise their vote by physical postal ballot are requested to carefully read the instructions printed on postal ballot form and return the form duly completed and signed, in the enclosed self-addressed Business Reply Envelope to the Scrutinizer, so that it reaches the Scrutinizer not later than 5.00 PM on **Monday, the 30<sup>th</sup> April, 2018**. Postage will be borne and paid by the company. Postal Ballot Forms, if sent at the expense of the Members, will also be accepted. Postal Ballot forms received after the said date and time shall be deemed invalid.
9. The scrutinizer will submit his report to the Chairman or any other authorized person of the company after completion of scrutiny and result of the voting will be announced by the Chairman or any other authorized person of the company on **Wednesday, 02<sup>nd</sup> May, 2018 at 05:00 a.m. at the registered office of the company**. The aforesaid results would be displayed at the said address and posted on the website of the company <http://www.udtltd.com/> along with the scrutinizer report and intimated, to the stock exchanges where the shares of the Company are listed and to the depository.
10. The resolutions, if passed by the requisite majority, shall be deemed to have been passed on **Monday, the 30<sup>th</sup> April, 2018** i.e; the last date specified for receipt of duly completed postal ballot forms or e-voting. All the material documents referred to in the explanatory statement will be available for inspection at the registered office of the company during the office hours on all working days from the date of dispatch until the last date for receipt of votes by postal ballot/e-voting.
11. Voting rights in the postal ballot/e-voting cannot be exercised by a proxy.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company at the registered office of the company / Alankit Assignments Limited, Share Transfer Agent ("RTA") at **30.04.2018**.

#### **VOTING THROUGH ELECTRONIC MEANS**

In compliance with Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Section 108 and 110 and other applicable provisions of the Companies Act, 2013 read with the related Rules, the Company is pleased to provide e-voting facility to all its Members, to enable them to cast their votes electronically instead of dispatching the Physical Postal Ballot Form by Post. The Company has engaged the services of CDSL for the purpose of providing e-voting facility to all its members.

#### **The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on **01<sup>st</sup> April, 2018 at 10.00 A.M** and ends on **30<sup>th</sup> April, 2018 at 05.00 P.M**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **23<sup>rd</sup> March, 2018** of **23<sup>rd</sup> March, 2018** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders / Members
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>· Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>· 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.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> <li>· 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 (iv).</li> </ul>

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the changed 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.

(xviii) **Shareholders 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.**

(xix) **Note for Non – Individual Shareholders and Custodians**

\* Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

\* A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

\* After receiving the login details 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.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to helpdesk.evoting@cdslindia.com.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“THE ACT”)**

### **Item No. 1**

The existing Memorandum of Association (MOA) of the Company was framed in terms of provisions of Companies Act, 1956.

With the enactment of new Companies Act, 2013, it is considered expedient to amend the form of the existing Memorandum of Association to align it with the provisions of Companies Act, 2013.

In terms of Section 4(6) of the Companies Act, 2013, the Memorandum of Association of a company shall be in respective forms specified in Tables A, B, C, D and E in Schedule I as may be applicable to company.

Accordingly, Board has proposed to amend Memorandum of Association of the company to align it with Table A (i.e. Memorandum of Association of a company limited by shares) of Schedule I of the Act.

A copy of the proposed set of existing and altered Memorandum of Association would be available for inspection in physical at the registered office of the Company on all working day during business hours from the date of dispatch of notice up to the last date of voting and is also available on the website of the company at <http://www.udttd.com/>

The Board recommends the above mentioned special resolution for approval by the shareholders of the company.

None of the Directors/Key Managerial Personnel of the company/their relatives are in any way concerned or interested, financially or otherwise, in the proposed special resolution set out in item no. 1.

### **ITEM NO. 2**

Our Company is world's Leading manufacturers of oilfield's equipment such as Truck Mounted and Skid Mounted Wireline Winches- Zone-I & Zone-II, Conventional & Wire Line Retrievable Gas Lift Valves, Conventional and Side Pocket Mandrels, Interchangeable Sleeves and Integral Blade Stabilizers and High performance Connectors for large OD Casing Pipes (18.5/8" to 36"). Our wide range of oilfield equipment is manufactured to API specifications and conforms to ISO 9001 systems and procedures. From the said products the Company is drawing its major revenue.

Now, the Company intends to expand its present scope of operations and in quest for newer opportunities and with a vision to become world's largest retailer and trader, it is proposed to insert provision with respect to carry on the business of buying, selling, reselling, importing, exporting, transporting, storing, developing, promoting, marketing or supplying, trading, dealing in any manner whatsoever, in all types of goods including articles connected to oil drilling.

The Board of Directors of the company analyze that the change in the Main object clause of the company by way of insertion of clauses is in the best interest of the company, shareholders and all other concerned stakeholders .

The Board explain that the Company is not going to change the present business activity of the company by altering the Object Clause of Memorandum of Association. Such change in object clause may expand the business operation of the company.

Further, in terms of Section 4(1) (c) of the Companies Act, 2013, the Memorandum of Association of a company shall state the objects for which the Company is proposed to be incorporated and any matter considered necessary in furtherance thereof. As such, the requirements of separately indicating the “main objects”, “incidental or ancillary objects” and “other objects” under the erstwhile legislation has changed.

Accordingly, it is proposed to replace the existing heading of Clause III A, Clause III B, and to delete III C “Other Objects” in the existing Memorandum of Association in order comply with the provision of the Companies Act, 2013.

The Board of Directors' in their meeting had approved the amendment in the Memorandum of Association of the Company with respect to, subject to the approval of members of the company:

- a) Clause III(A) – Main Objects of the Company by way of insertion(s);
- b) Clause III(B) - Matters which are necessary for furtherance of the Objects specified In Clause III(B) by way of insertion(s)/ substitution(s)
- c) Clause III (C) – Other objects deleted;

The Board recommends the above mentioned special resolution for approval by the shareholders of the company

A copy of the proposed set of altered Memorandum of Association would be available for inspection in physical at the registered office of the Company on all working day during business hours from the date of dispatch of notice up to the last date of voting and is also available on the website of the company at <http://www.udtltd.com/>.

None of the Directors/Key Managerial Personnel of the company/their relatives are in any way concerned or interested, financially or otherwise, in the proposed special resolution set out in item no. 2.

### Item No. 3

The Equity shares of the Company are listed and being tradeded on Bombay Stock Exchange Limited. With a view to increase liquidity of equity shares, encourage participation of small investors by making equity shares of the Company affordable, and thus expand the retail shareholder base, the Board of Directors at their meeting held on **19.03.2018** after considering, inter-alia the financial parameters, and the position of reserves of the Company, approved and recommended, subject to the approval of shareholders, issuance of Bonus Equity Shares to the eligible members of the Company in the ratio of 1:1 viz. 1(One) bonus equity shares of Rs. 10/- each for every 1 (One) fully paid equity shares of Rs. 10/- each held by the members as on a "Record Date" to be hereafter fixed by Board of Directors, by capitalizing a sum not exceeding **Rs. 10,15,15,630 ( Ten Crores Fifteen Lac Fifteen Thousand Six Hundred Thirty)** standing to the credit of the Securities Premium Account, free reserves, Capital Redemption Reserve account or any other permitted reserve/ surplus of the Company, as may be considered appropriate.

Enabling provision of Articles of Association of the Company permits capitalization of any part of the amount for the time being standing to the credit of any of the Company's reserve accounts by applying the same towards payment of unissued shares to be issued to the members as fully paid bonus shares.

Pursuant to the provisions of Articles of Association of the Company and in terms of SEBI (ICDR Regulations) and Section 63 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under, the capitalization of reserves and bonus issue thereof require approval of the members in general meeting.

Further, it is necessary to authorize the Board of Directors of the Company to complete all the regulatory formalities prescribed by Securities and Exchange Board of India (SEBI), the Stock Exchanges on which the Company's securities are listed and any other regulatory authority, in connection with bonus issue.

Accordingly, the resolution seeks the approval of the members for capitalizing Rs. **10,15,15,630 ( Ten Crores Fifteen Lac Fifteen Thousand Six Hundred Thirty)** out of the amount standing to the credit of Securities Premium Account free reserves, Capital Redemption Reserve account or any other permitted reserve/ surplus of the Company as may be considered appropriate and issue of Bonus Equity Shares out of the same on the terms and conditions set out in the resolution.

All documents referred to in the notice or in the accompanying explanatory statement are open for inspection in physical at the registered office of the Company on all working day during business hours from the date of dispatch of notice up to the last date of voting and is also available on the website of the company at <http://www.udtltd.com/>.

The Board of Directors recommended the Ordinary resolution for your approval.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in in the proposed resolution set out in item no. 3 except as member to the extent of their entitlement of bonus equity shares as on Record Date.

By order of the Board of Directors  
For **United Drilling Tools Limited**

sd/-

**Pramod Kumar Ojha**  
(Company Secretary)

M. No. : 8698

Place : New Delhi  
Date : 19.03.2018