



UNITED DRILLING TOOLS LIMITED

An ISO 9001-2008 & API Certified Company

WORLD CLASS QUALITY AND SERVICES AT UNMATCHED PRICE

36th ANNUAL REPORT 2017-2018



Replaceable Stabilizer
(Mandrel and Sleeve)

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CHAIRMAN'S MESSAGE

Dear shareholders,

It gives us immense pleasure to present the report of performance of the Company for the financial year 2017-18. Despite testing times, UDTL delivered satisfactory results in comparison to the market scenario. Undoubtedly, the business environment was challenging. Despite all, UDTL achieved a net profit of Rs.1,273 lacs for shareholders and earned foreign exchange of Rs. 7,295 lacs for the country during the year.

UDTL is amongst one of India's private sector Company engaged in manufacturing of high-tech machines and tools being used by Oil, Gas, Drilling and Allied Industries, which constitute of key players of Indian economy. UDTL is a significant player in its segment, and is a preferred vendor for its clients in India. Built on strong values, UDTL is deeply rooted in the culture of safety, integrity and commitment and is dedicated to its vision of partnering India's economic growth and social well-being.

Your company put considerable efforts on continuous basis for upgrading and inducting new technologies in their products as per Industries requirement. They have developed several new design modifications and improved manufacturing and quality assurance processes in order to supply these products at much better quality and at lower cost. Most of these technologies are not presently available in India and are being developed for the first time in India on the basis of "Make in India" programmes by our Hon'ble Prime Minister. The Company is in the process of filing various patents and designs developed in the manufacture of these products.

The prospects of our industry have improved considerably in the domestic markets due to renewed focus of Central as well as State Government on investment in Oil Sector coupled with restrictions on imports and stress of Government on Make in India policies. However, the global business environment continues to remain challenging due to soft oil prices and geopolitical uncertainties.

India is witnessing an era of growth and sky of opportunities. This is predominantly driven by increasing economic activities coupled with Honorable PM's "Make in India" initiative.

UDTL's focus is to continue growing as a responsible organization and the performance reflects its strength of operations.

Your company has always been appreciated for its conservative approach in financial leveraging and prudent debt management. Despite low debt, our focused continues to deleverage our Balance Sheet. This prudence has resulted in significant reduction in finance cost during the year, helping us to ensure better earning per share for its stakeholders.

We have invested years in creating growth engines for the future. Today your Company is competing with leading global players in its field and has come a long way to become a high-tech domestic Company manufacturing equipment and machineries for the Oil and Energy sector.

The global economy in recent years, saw a steep decline in Oil prices, which had a significant impact on Energy Sector and as a consequence of decline in Oil prices your Company got affected too, since most of the clientele of your Company belongs to Oil & Energy sector. This Coupled with slow growth in leading global economies which had an unfavorable impact on currency to some extent, which in turn affected your Company's clients and your Company was bound to be affected, albeit not in absolute proportion. But, there was positive news in terms of faster economic growth than-anticipated. Recovery in emerging economies and specially developed economies, which paved way for global economic recovery. Results were reflected in the last quarter of 2017-18 and in the first quarter of Financial Year 2018-19.

India's economy is in the midst of a recovery with lower fiscal and current account deficit, lower inflation and weak commodity prices. Our country's growth seems to be poised to maintain a high-growth path. It is in this context that your Company continues its quest for sustained growth.

Your continued co-operation and support is an important barometer for UDTL's success and its growth outlook. With the successful closure of another year with FY'2017-18. I assure you that the Company will continue doing the best and ensure greater value creation for all the stakeholders in the years to come.

I am grateful to all stakeholders- customers, employees, suppliers, partners and investors for their continuing support to UDTL.

Very Sincerely

Sd/-

Pramod Kumar Gupta
(Chairman & Managing Director)

*Glimpses of CSR Activities
(Financial year 2017-18)*

Powering Progress.....Brightening lives.....

Overview

UDTL Mission: be a committed Corporate citizen, alive towards its corporate social responsibility

UDTL vision: a world class engineering enterprises committed to wards enhancing stakeholder value

A. Initiative to Educate the society : It is true to say 'Knowledge for life'

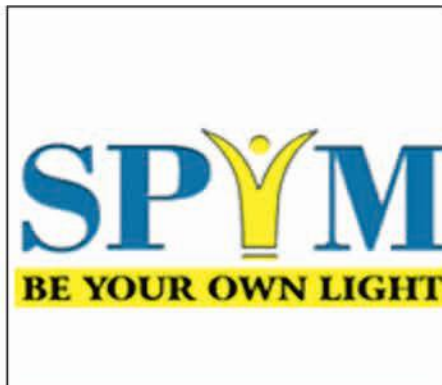
Education is soul of society. It is an important and powerful weapon which we can use to change the world. UDTL initiative towards to literate poor & backward people of the society, is the one of the key elements of sustainable development. UDTL is providing education to children from slum by setting up "BRIDGE COURSE CENTRE" situated at village Boodha, near Sector 81, Noida and support to other NGO's which are working in the field of Education.



B. Initiative towards eradication of hunger from society:

It is true to say that: "Poverty and hunger is shamed to the society" it is only burden that is not lightening by sharing with other"

UDTL was contributed its hand during financial year 2017-18 towards eradication of hunger and poverty form society through NGO by distributing blankets and food to street poor & hunger people.



C. Initiative towards Healthcare and shelter for old age person of the society

It is true to say that “Do not regret the growing older”

Your Company always stand with these orphan and privileged old person of the society that why they **don't feel they are Burden to the society**. UDTL through NGO work for the betterment of these people by contributing CSR fund towards this.



D. Initiative under "Swachh Bharat Abhiyan"

Under our Hon'ble Prime Minister Mr. Narendra Modi campaign to build India Swachh and healthy, UDTL had taken initiative to install 5 (five) Bio Toilet in slum and village areas of Noida through a recognized NGO.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Pramod Kumar Gupta	:	Chairman and Managing Director M.S.I.E.(USA), BE (Mech. Engg.) BIT, India
Mr. Shiv Sharan Kumar Bhagat	:	Independent & Non-Executive Director Civil Engineering Graduate Retired Chief Engineer, NDMC, New Delhi
Mr. Krishan Diyal Aggarwal	:	Independent & Non-Executive Director Post Graduate in Economics along with law, Certified Associate of Indian Institute of Bankers, Diploma in Industrial Finance and Co-operative, Retired as Manager from Reserve Bank of India
Mr. Kanal Gupta	:	Whole Time Director MBA in Finance and HR (Management)
Mr. Pandian Kalyanasundaram	:	Independent Director PhD., M Phil and MBA Ex-service man, Retired from Joint Secretary of Minis- try of Petroleum & Natural Gas, Govt. of India
Mr. Inderpal Sharma	:	Whole Time Director ITI Fitter
Ms. Twinkle Singh	:	Woman Director & Independent Director Graduate in Business Administration Post Graduate in Commerce
Chief Financial Officer	:	Mr. Arun Kumar Thakur M.Com, Post Graduate in Commerce
Company Secretary	:	Mr. P.K. Ojha FCS, LL.B, B.Sc.
Statutory Auditors	:	M/s R S Dani & Co. Chartered Accountants
Bankers	:	ALLAHABAD BANK International Branch Parliament Street New Delhi-110001
Registrar & Share Transfer Agent	:	Alankit Assignments Limited 3E/7, Alankit Heights, Jhandewalan Extension, New Delhi-110055

REGISTERED OFFICE

- 139A, First Floor, Antriksh Bhawan, 22, Kasturba Gandhi Marg, New Delhi-110001

MANUFACTURING UNITS

- C-41, Sector -81, Noida U.P., Distt. Gautam Budh Nagar- 201 305
 - Plot No. 523, New Area, KSEZ, Gandhidham, Kutch- 370 230
 - Plot No. 129G/25-26, NSEZ, Noida-201 305

HEAD OFFICE/CORPORATE OFFICE

- A-22, Phase-II, Noida, U.P, Gautam Budh Nagar-201 305

Website:- www.udtltd.com
E-mail ID:- compsect@udtltd.com



UNITED DRILLING TOOLS LIMITED

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Reg. Office: 139A, First Floor, Antriksh Bhawan, 22, Kasturba Gandhi Marg, New Delhi-110001

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Phone: +91-0120- 2462673, 0120-4842400 Fax : +91-0120-2462675**NOTICE**

Notice is hereby given that the Thirty Sixth Annual General Meeting of United Drilling Tools Limited will be held on **Wednesday, the 26th September, 2018** at 11.30 A.M. at Maharani Bagh Community Centre, 1 Central Avenue, Maharani Bagh, New Delhi- 110 065, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2018, together with the reports of the Board of Directors and Auditor's thereon;

2. To appoint a Director in place of Mr. Inderpal Sharma, having DIN: 07649251, who retires by rotation and being eligible, offers himself for re-appointment.

3. To ratify appointment of Statutory Auditors for financial year 2018-19 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139(2) and 142(1) and other applicable provisions, if any, of the Companies Act, 2013 read with Chapter X of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014 the Company hereby ratifies the appointment of M/s R S Dani & Co. (Firm Registration No.: 000243C), Chartered Accountants, Kothari Complex, near G.P.O Bhilwara-311001 (Raj), as the Statutory Auditors of the Company from the conclusion of this Annual General meeting till the conclusion of thirty Seventh Annual General Meeting at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.”

4. To declare a dividend on Equity share capital of the company for the financial year 2017-18 @ 12% i.e. Rs. 1.2/- for each equity share of Rs. 10/- each.

SPECIAL BUSINESS:

5. **To Appointment of Mr. Kanal Gupta (DIN: 01050505), as Whole-time Director of the Company.**

To Consider and, if thought fit, to pass, with or without modification, the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to recommendation of the Board Governance, Nomination and Remuneration Committee and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013 and Article 58 of Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the appointment of Mr. Kanal Gupta (DIN: 01050505), as Whole-time Director of the Company with effect from **10th February, 2018** up to the 41st Annual General Meeting to be held in the year 2023, as well as the payment of salary, commission and perquisites (hereinafter referred to as “remuneration”), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or agreement in such manner as may be agreed to between the Board of Directors and Mr. Kanal Gupta.