



# UNITED DRILLING TOOLS LTD.

CIN : L29199DL 1985 PLCO 15796  
OIL DRILLING EQUIPMENT MANUFACTURING AND SERVICES  
(INCLUDING ISO 14001:2004 & OHSAS 18001:2007)

Phones : +91-0120-4842400  
2462673, 4221777  
Fax No. : +91-0120-2462675

**USE PREFIX FOR CALLING -**

From Out side Country - 91-120  
From Out side State - 0120  
From New Delhi - 0120

**Please Reply to Head Office**

A-22, Phase-II, Noida-201305  
Distt. Gautam Budh Nagar ,  
Uttar Pradesh, India  
E-mail : enquiry@udtltd.com  
Website : www.udtltd.com

25/10/2019

To,  
The Listing Compliance Department  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai- 400001

Security Code: 522014  
Security ID: UNIDT  
ISIN: INE961D01019

**Sub: Press Release on Financial Result**

Dear Sir/Madam,

Pursuant to regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we are submitting herewith copy of the press release titled "Earning Review" based on financial result of second quarter and half year ended 30<sup>th</sup> September, 2019 along with operational highlight on the same.

The Press Release is self-explanatory.

Thanking You,

Yours faithfully

**FOR United Drilling Tools Limited**

  
Pramod Kumar Ojha  
Company Secretary  
M. NO. 8698



# Earning Review

**H1 FY 2019**

## **United Drilling Tools Limited**

### **About The Company**

Commenced operation in the Year 1985, headquartered at New Delhi, the company is Worldwide Leader in Connector Technology. United Drilling is a leading Manufacturer of Wire line & well service equipment, Gas lift equipment's, Downhole tools and large OD casting connector in the world. All the equipment can be supplied with most reliable designs and quality and are very competitively priced as compared to other suppliers. United Drilling Tools Limited is dedicated to manufacture high-quality products of field -proven test designs in conformity with international standards as per ISO 9001 & American Petroleum Institute(API License No. 5CT-0565, 5L-0424, 7-1-0393, 19G1-0008, 19G2-0010).

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**Tel +91-120-4221777**  
**Fax +91-120-2462675**

**Address : A-22, Phase-II , Noida, Distt-  
Gautam Budh Nagar (U.P),  
Pin -201305 (INDIA)**

**Website : <https://www.udtltd.com>**  
**Email Id : [enquiry@udtltd.com](mailto:enquiry@udtltd.com)**



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## Earning Release H1 FY2019-20

### Financial Performance Comparison

#### H1 FY 20 vs H1 FY 19

Particulars (INR MN)	H1 FY 20	H1 FY 19	Shift %
Revenue from Operations	562.60	1,001.93	-43.85%
Other Income	10.21	2.63	288.21%
<b>Total Revenue</b>	<b>572.81</b>	<b>1,004.56</b>	<b>-42.98%</b>
Total Expenses	297.84	886.13	-66.39%
<b>EBITDA</b>	<b>290.40</b>	<b>139.88</b>	<b>107.61%</b>
<b>EBITDA Margin (%)</b>	<b>50.70%</b>	<b>13.92%</b>	<b>264.22%</b>
Depreciation	13.01	14.09	-7.65%
Finance Cost	2.42	7.35	-67.05%
<b>PBT with Exceptional Item</b>	<b>274.96</b>	<b>118.43</b>	<b>132.17%</b>
Exceptional Items	-	-	
<b>PBT</b>	<b>274.96</b>	<b>118.43</b>	<b>132.17%</b>
Current Tax	37.92	6.08	523.68%
Deferred Tax	1.91	2.43	-21.32%
<b>Tax</b>	<b>39.83</b>	<b>8.50</b>	<b>368.58%</b>
<b>PAT</b>	<b>235.13</b>	<b>109.93</b>	<b>113.89%</b>
<b>PAT Margin %</b>	<b>41.05%</b>	<b>10.94%</b>	<b>275.22%</b>

#### Comparison Summary

- Income from operation recorded a de-growth by 43.85% from Rs 1001.93mn in FY19 to Rs. 562.60mn in FY20 considering the change in demand of the product mix compared to same period previous year
- The EBITDA increased by 107.61% from Rs.139.88mn in FY19 to Rs. 290.40mn in FY20 and an exponential gain in the EBITDA margins from 13.92% in FY19 to 50.70% in FY20
- Net profit stood at Rs.235.13mn in FY20, compared to Rs. 109.93mn in FY19 recording an absolute growth of 114%
- Company has shown as RoCE of 18.35% in first half of the financial year.





**Q2 FY 20 vs Q2 FY 19**

Particulars (INR MN)	FY 20 Q2	FY 19 Q2	Shift %
Revenue from Operations	294.67	613.82	-51.99%
Other Income	5.75	1.22	371.31%
<b>Total Revenue</b>	<b>300.42</b>	<b>615.04</b>	<b>-51.15%</b>
Total Expenses	144.60	543.69	-73.40%
<b>EBITDA</b>	<b>163.75</b>	<b>81.38</b>	<b>101.22%</b>
<b>EBITDA Margin (%)</b>	<b>54.51%</b>	<b>13.23%</b>	<b>312.01%</b>
Depreciation	6.58	7.09	-7.17%
Finance Cost	1.35	2.94	-54.08%
<b>PBT with Exceptional Item</b>	<b>155.82</b>	<b>71.35</b>	<b>118.38%</b>
Exceptional Items	-	-	
<b>PBT</b>	<b>155.82</b>	<b>71.35</b>	<b>118.38%</b>
Current Tax	21.42	4.06	427.58%
Deferred Tax	1.08	0.83	30.12%
<b>Tax</b>	<b>22.50</b>	<b>4.89</b>	<b>360.12%</b>
<b>PAT</b>	<b>133.31</b>	<b>66.46</b>	<b>100.58%</b>
Other comprehensive profit / loss	-	-	
<b>Net PAT</b>	<b>133.31</b>	<b>66.46</b>	<b>100.58%</b>
<b>PAT Margin %</b>	<b>44.38%</b>	<b>10.81%</b>	<b>310.54%</b>

**Comparison Summary**

- Total income from operations recorded a de-growth by 51.99% from Rs. 613.82mn in FY19 to Rs. 294.67mn in FY20 on account of increased sale of a product line as compared to same period previous year
- The EBITDA increased by 311.95% from Rs.81.38mn in FY19 to Rs. 163.75mn in FY20 owing to better realization, realization/margins have grown by 311%
- Net profit stood at Rs. 133.31 mn in FY20, compared to Rs. 66.46 mn in FY19, recording a growth of 2 x as compared to same quarter previous year



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**HIGHLIGHTS & MANAGEMENT COMMENTS**

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**Operating Highlights**

UDTL's business is based on getting orders from Oil companies/Service Providers in upstream oil and gas exploration sector, UDTL has five different product lines and there has always been a change in demand of products, UDTL has different profit margins for different product lines.

In 1st two quarters UDTL has been able to record exponential margins considering the higher sales of connectors and casing pipes which are an integrated and patented product with higher profitability margins as compared to other products supplied same period last year.

**Management Comments**

We have had another strong quarter and first half of recording strong profits in our business. The Company continues to strengthen its position as a trusted leader in oil drilling tools and equipment's. The Company focuses on broadening the product portfolio by regular R&Ds and to stay competitive with unmatched price in the market.

These changes in the supply and demand dynamics is expected to raise the number of oil wells thus, resulting in boosting the oil field Equipment market. Increasing demand for oil and gas is also expected to fuel the demand in the oilfield Equipment market.

**Management Guidance: Looking Ahead**

FY20 should therefore be another year of progress in Net Revenue and market capture from current operations at current market conditions and will further invest in its growth, strengthen its competitiveness. We expect our revenues to grow by 10% and margins to expand by 250 bps due to change in the sales of the product mix.

UDTL has confirmed orders of INR 1220 mn in hand which will be executed in the current year and in addition have submitted bids for approx. Rs.2000 mn including for overseas companies and expect a strong conversion of these orders which will be executed partly in the current year.

The broader strategy would be focusing on: International business: • Invest in capacity expansion • Increase Registrations in International markets • Expand foot prints in South East Asian countries and Africa • Scaling up capacities of selective product line.



For further information on the Company, please visit: [www.adityaconsumer.com](http://www.adityaconsumer.com)

For further information contact:

**Pramod Ojha**  
Company Secretary  
**United Drilling Tools Limited**  
Contact : + 918750055919  
Email : compsect@udtltd.com

**Krunal Shah/ Vinayak Shirodkar**  
**Captive IR Strategic Advisors Pvt. Ltd**  
Contact: +91 4347 2247  
Email: [krunal@cap-ir.com](mailto:krunal@cap-ir.com)/[vinayak@cap-ir.com](mailto:vinayak@cap-ir.com)

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