

A STRONGER DIRECTION. FOCUSED ON PROGRESS.



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Reporting period and scope

This report covers financial and non-financial information and activities of United Drilling Tools Limited ('the Company' or 'UDTL') during the period April 1, 2025, to March 31, 2026. The financial statement (standalone & consolidated) have been audited by M/s A P U & Company, Chartered Accountants.

Materiality

We cover key material aspects that have been identified through our ongoing stakeholder engagement and are addressed by various programmes or action points set by the key management personnel.

Responsiveness

Our reporting addresses a gamut of stakeholders, each having their own needs and interests. This report is one element of our interaction and communication. It reflects how we manage our operations by accounting and responding to stakeholder concerns.

Forward looking statement

Some information in this report may contain forward-looking statements. We have based these forward-looking statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements are identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. A forward-looking statement may include a statement of the assumptions or basis underlying the forward-looking statement. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward-looking statements and assumed facts or bases almost always vary from actual results, and the differences between the results implied by the forward-looking statements and assumed facts or bases and actual results can be material, depending on the circumstances.

Progress is not always about moving faster.

Sometimes, it is about finding greater clarity in the direction we choose and building the strength to move forward with purpose.

Every company moves. Few move with direction.

For United Drilling Tools Limited, FY26 represents a period of renewed focus.

After navigating a challenging phase, the Company is strengthening its foundations, sharpening its priorities, and working towards a more sustainable path of growth.

Our experience has reinforced the importance of disciplined execution, operational efficiency, and a clear focus on opportunities that create lasting value.

With our established engineering capabilities, industry experience, and commitment to serving the evolving needs of the oil and gas sector, we remain focused on strengthening our business fundamentals.

We focused on pursuing opportunities that align with our capabilities, improving execution, and placing greater emphasis on performance and profitability.

A Stronger Direction reflects this journey.

It is about moving forward with greater clarity, learning from experience and translating our strengths into meaningful progress.

As we look ahead, our focus remains firmly on building a more resilient business, one that is better positioned to respond to market opportunities, deliver for customers, and create sustainable value for all our stakeholders.

Because the right direction is not simply about where we are going.

It is about how strongly we move forward.



For United Drilling Tools, FY26 was the year the difference became visible.

Revenue grew **5.69%** to **₹181.12** crore — steady, deliberate, unforced.

But profit after tax grew 25.74% to ₹18.76 crore.

When earnings outrun revenue by that distance, it is not momentum at work. It is direction.

Margin was the engine of that direction, rebuilt decision by decision.

EBITDA margin climbed from 15.25% to 18.49%, earned through a sharper product mix, disciplined operating costs and tighter execution across the Company's operations.

Focused on progress, the Company is choosing depth over noise, strengthening the franchise it has spent three decades building with ONGC, Vedanta, Oil India, and a widening export base, rather than chasing scale that dilutes.

Performance is the proof: a restored dividend, a stronger balance sheet, and profitability that compounds because it is engineered, not inherited.

**A stronger direction is not a louder one.
It is clearer, and in FY26, every number
pointed the same way.**





Numbers That Define UDTL

Forty-two years measured in tolerances, not milestones.

An oilfield tool is not judged by the story told about it.

It is judged three kilometres below the surface, at pressure, in heat, where the only thing that matters is whether it holds.

That standard has shaped how we build, how we certify, and how we count.

What follows is our year, and our institution, expressed in the only language the wellhead accepts.

The year in five figures

₹ **181.96** crore

Revenue from operations in FY26, up 5.7% over FY25.

₹ **33.64** crore

EBITDA for the year, at a margin of 18.04%.

₹ **44.25** crore

FY26 fourth-quarter revenue, 42.2% higher than the same quarter of the previous year.

The distance between these two numbers is the story of the year.

Revenue grew **5.7** %. Profit

after tax grew **25.7** %.

18%

Dividend declared per share.

That gap didn't come from the market; it came from product mix, tighter operations, and a deliberate decision to compete on capability rather than price. Earnings quality improved faster than earnings scale, which is the harder of the two, and the one that lasts.

Built over four decades

1985

The year United Drilling Tools was founded

42

Years of continuous manufacturing for the upstream energy industry

4

State-of-the-art manufacturing facilities

16

Countries where UDTL has product presence

14

Patents registered in the name of the Company in India and abroad

34

Registered trademarks



Certified to the standard the world uses Our customers do not audit our intentions. They audit our licences.

7

Active API licences:
5B-0391, 5CT-0565,
5L-0424, 7-1-0393,
7-2-0851, 19G1-0008
and 19G2-0010

3

Certified management
systems: ISO
9001:2015 (quality),
ISO 14001:2015
(environment) and
ISO 45001:2018
(occupational health
and safety)

Seven API licenses are
not seven certificates.
It is seven separate
audit regimes,
seven documented
manufacturing processes
and seven product
families independently
verified against the
specifications the global
energy industry treats as
non-negotiable.

This is what allows an
Indian manufacturer to
be specified alongside
American and European
incumbents, and it is why
the technology developed
through two decades of
collaboration with those
same manufacturers is
now built and sold under
our own name.

Returned to those who own us

₹9.30

Earnings per equity
share for FY26.

₹278.34

crore

Net worth as at 31
March 2026.

18%

Total dividend for FY26
as a percentage of face
value.

The number that does not appear above

No figure on these pages
shows the well that did
not fail, the string that did
not part, or the operation
that finished on schedule
because a tool performed
exactly as specified.

Those numbers go unrecorded, but
they are the ones our customers
actually buy. Every figure here
exists to serve them.

Message from the Chairman desk




Engineering excellence that drives energy forward, innovation that strengthens our future, expanding beyond boundaries to create global opportunities, and growing responsibly to deliver lasting value for our stakeholders.™

Dear Shareholders,

It gives me great pleasure to address you and share with you the performance, progress and key developments of United Drilling Tools Limited during FY 2025-26.

On behalf of the Board of Directors and the management, I sincerely thank you for your continued trust, confidence and support. Your faith in the Company has been an important source of encouragement as we navigate a rapidly changing global energy landscape and pursue new opportunities for sustainable growth.

FY 2025–26 was a year of resilience, steady progress and strategic strengthening for UDTL. While the global oil and gas industry continued to face geopolitical uncertainties, market volatility and changing investment dynamics, we remained focused on strengthening our core business, advancing our technology, expanding our market presence and creating long-term value for our stakeholders.

The global economy continued to face geopolitical tensions, changing trade dynamics, inflationary pressures and supply-chain disruptions, resulting in volatility across commodity and energy markets. The oil and gas industry, in particular, remained sensitive to crude oil prices, geopolitical developments and changing investment decisions.

At the same time, India's growing energy requirements and the Government's continued focus on domestic exploration, production and energy security are creating new opportunities across the upstream oil and gas sector.

For UDTL, this environment presents both challenges and opportunities. We remain focused on strengthening our position as a technology-driven manufacturer of specialised drilling and oilfield equipment, while expanding our presence in India and international markets.

A Year of Strengthening Our Foundation

During FY 2025–26, we continued to strengthen our business through technology, innovation, operational efficiency and customer engagement. Our specialised drilling and production products continue to receive recognition from leading players in the oil and gas industry.

During the year, we recorded Revenue from Operations of ₹181.96 crore, compared with ₹172.16 crore in FY 2024-25. This performance reflects the resilience of our business model, the strength of our product portfolio and the continued confidence of our customers.

We remained focused not only on revenue growth but also on profitability, cost optimisation, working-capital management and efficient execution. Our strategy continues to be centred on profitable and sustainable growth rather than growth at any cost.

Operational Highlights – Premium Connection Technology

One of our significant technological milestones has been the successful development and field deployment of our Premium Connection Casing Pipes.

Subsequent to the year under review, UDTL successfully supplied 7-inch Premium Production Casing to Oil India Limited (OIL) under a development order. The casing has been successfully installed and commissioned in a gas well in Assam.

This achievement marks an important step in our journey into the premium Oil Country Tubular Goods (OCTG) market, a high-value and technology-intensive segment of the oil and gas industry. It demonstrates our ability to develop advanced connection technology and strengthens our competitive position.

It also supports the Government's "Make in India" initiative by promoting indigenous manufacturing of advanced oilfield equipment and reducing dependence on imported technologies.

We see premium casing and connection technology as an important area of future growth for UDTL, with opportunities to expand our addressable market and develop new revenue streams in India and overseas.

Innovation – Preparing for the Future

Technology and innovation remain at the centre of our long-term strategy. As

drilling moves into deeper, more complex and technically demanding environments, customers increasingly require equipment offering greater reliability, efficiency and performance.

Research and development therefore remains a key priority for UDTL. We will continue to invest in product development, advanced manufacturing, testing capabilities and engineering solutions to meet evolving customer requirements.

Our objective is to build a specialised product portfolio capable of competing effectively in both domestic and international markets and to provide solutions that deliver greater value to our customers.

Corporate Governance

Strong corporate governance remains a fundamental pillar of our Company.

We believe sustainable growth is built on transparency, integrity, accountability and responsible decision-making. The Board of Directors provides strategic direction and oversight while ensuring appropriate attention to business performance, risk management, internal controls, regulatory compliance and long-term priorities.

We remain committed to maintaining high standards of ethical conduct and protecting the interests of all our stakeholders. As we expand our operations, strong governance, effective controls and responsible leadership will remain integral to our growth.

Sustainability and ESG

We recognise that responsible growth must go hand in hand with sustainability.

Our ESG approach focuses on environmental responsibility, employee welfare, workplace safety, skill development, community development and ethical business practices. We continue to focus on efficient utilisation of resources, responsible manufacturing and reduction of waste wherever practicable.

Our employees are central to our success, and we remain committed to creating a safe, productive and supportive working environment. We also recognise our responsibility towards the communities in which we operate and will continue to support appropriate social and community initiatives.

We believe that responsible growth is sustainable growth, and we will continue to strengthen our ESG practices as the Company expands.

Looking Ahead

Looking ahead, we remain cautiously optimistic about the prospects of the oil and

gas industry and the opportunities available to UDTL.

While geopolitical uncertainties and market volatility may continue, the fundamental requirement for energy, exploration, production and reliable drilling equipment remains strong. India's growing energy demand and continued focus on domestic exploration and production provide significant long-term opportunities.

Internationally, we see opportunities across markets where exploration and production activity, offshore development and demand for specialised drilling technologies are increasing. We will continue to strengthen our presence in selected international markets and develop long-term relationships with customers and business partners.

Our strategy will remain focused on profitable growth, technological innovation, geographical diversification, operational excellence and financial discipline. We will continue to strengthen our existing businesses, develop new products and selectively enter new markets.

Our vision is to build United Drilling Tools into a technology-driven, globally competitive and trusted engineering company serving the oil and gas drilling and production industry.

Gratitude and Commitment

The progress achieved by UDTL would not have been possible without the collective efforts of our employees, customers, suppliers, business partners and other stakeholders.

On behalf of the Board, I sincerely express my appreciation to our customers for their continued confidence in our products and capabilities, and to our suppliers, bankers, consultants and business partners for their valuable support. Above all, I express my sincere gratitude to our shareholders for their continued trust and confidence in United Drilling Tools Limited.

The journey ahead will bring both opportunities and challenges. With our strong foundation, technological capabilities, experienced team and commitment to excellence, I am confident that we will continue to strengthen UDTL and build a stronger, more competitive and globally recognised organisation.

Thank you for your continued trust and support.

Pramod Kumar Gupta

Chairman

Message from the Managing Director's desk

Dear Shareholders,

It gives me pleasure to write to you at the close of a year in which United Drilling Tools moved decisively in the direction we set for it.

A year is measured not only by what it produced, but by what it revealed about the direction of the business. On both counts, I would ask you to look carefully at the shape of those numbers rather than only their size. Revenue grew by a little under six per cent; profit before tax grew by more than thirty-five per cent. That expansion did not come from a favourable market. It came from choices, about which orders to pursue and which to decline, about where cost was structural and where it was habit, and about how much working capital a given rupee of revenue is genuinely entitled to consume.

We have always said that our objective is to achieve profitable and sustainable growth. FY 2025-26 is the first year in which that sentence can be read against the accounts rather than taken on trust.

Building on a firmer base

Financial discipline through the year extended beyond the profit and loss account. Borrowings were reduced and operating cash flows improved, leaving the balance sheet materially stronger

at the close of the year than at its start. For a business that manufactures capital equipment for exploration programmes with long approval cycles and lumpy order patterns, balance sheet strength is not a matter of prudence alone. It is a competitive instrument. It allows us to accept development orders whose payback is measured in relationships rather than quarters, to invest in qualification and certification ahead of demand, and to compete for international business against suppliers who are asked fewer questions about their financial standing than we are.

Our approach to costs remains the same that we have applied for three years: reduce what does not reach the customer, protect what does. We have not curtailed investment in engineering capability, metallurgy and machining accuracy, inspection, or the qualification of new products. This is why this year's margin improvement is repeatable rather than borrowed from the next.

The business we are becoming

For four decades, United Drilling Tools has been known as a manufacturer of drilling tools and connectors. That description is now too narrow. The

Company is evolving into a diversified engineering solutions provider for the upstream oil and gas industry, with a portfolio spanning premium casing, advanced connectors, wireline equipment, tubular products, and specialised drilling and production equipment.

This widening is deliberate, not opportunistic. Every product we have added draws on the same core capabilities, thread design and manufacture, close-tolerance machining, materials knowledge, and the ability to prove performance under test. What changes is how many points in the well construction and production cycle a customer can call on us for, and therefore how many ways we can grow without depending on any single product line. Technology, reliability, quality, and engineering expertise remain our differentiators, and they are the only ones worth having in a business where downhole failure is measured in millions of rupees a day.

Confidence from our customers

The clearest evidence that this direction is working comes from the market, not from us.



The Company is evolving into a diversified engineering solutions provider for the upstream oil and gas industry, with a portfolio spanning premium casing, advanced connectors, wireline equipment, tubular products, and specialised drilling and production equipment.



Subsequent to the close of the financial year, your Company secured significant orders from Oil and Natural Gas Corporation Limited, Vedanta Limited, and Shivganga Drillers Limited. These cover large outside-diameter casing pipes with multi-start connectors, stabilizers, tubing, pup joints, crossovers, and other specialised products, a spread that reflects the widened portfolio described above.

Equally important, we successfully completed the development order for premium tubing and casing pipes for Oil India Limited. A development order is a test before it is a transaction. Completing one shows the product performs, our processes are auditable, and the customer's technical department is ready to specify us again. That is the basis for further orders, and we expect them.

Taking United Drilling Tools to the world

During and following the year, we secured export opportunities from Brazil, Russia, Taiwan and Uzbekistan. The Brazilian order, casing pipes with multi-start connectors, ultimately destined for Petrobras, establishes our presence in South America with a customer whose qualification standards are among the most demanding anywhere. The trial order for our UDTL PUMA connector strengthens our position in Russia, a market that rewards technical performance and long relationships in roughly equal measure.

Beyond these, we are actively pursuing opportunities across Russia, Brazil, Indonesia, Vietnam, Oman, the United States and other selected markets, supported by overseas agents and



Equally important, we successfully completed the development order for premium tubing and casing pipes for Oil India Limited. A development order is a test before it is a transaction.



Tested by Time and Trusted by Customer.

business development representatives who give us presence and continuity in regions where a visit twice a year is not enough.

Our objective is stated plainly: to establish United Drilling Tools as a recognised global supplier of specialised oilfield equipment. Geographical diversification is not just a growth ambition. It is the most effective protection this business has against the cyclicalities of any single market, including our own.

The opportunity at home

India's energy trajectory continues to favour companies that can manufacture to international specification within the country. Rising energy requirements, intensified exploration efforts, and a clear policy focus on energy security together create a long-cycle opportunity for domestic oilfield

equipment manufacturers, reinforced by Make in India and the steady shift of exploration activity offshore and into deeper water.

The most significant development of the year in this respect was the Government of India's approval of Samudra Manthan, the National Offshore Exploration Scheme, a Central Sector Scheme of the Ministry of Petroleum and Natural Gas with a Phase-I outlay of ₹84,084 crore for implementation up to FY 2030-31. The scheme provides for large-scale seismic data acquisition, drilling sixty deepwater and ultra-deepwater exploratory wells with government co-funding, developing common offshore infrastructure, and promoting indigenous manufacturing.

For an equipment manufacturer, the significance is direct. Wells must be cased. Casing must be connected. Production strings must be run, monitored and intervened upon. An offshore exploration programme of this scale, sustained over five years, will generate demand for exactly the categories of drilling, casing, connector and production equipment that your Company manufactures. We have spent the last several years building the qualifications, capacity, and product range required to participate. We intend to continue to do what we are good at.

Technology, research, and intellectual property

Our competitive position rests on evolving with innovation and reliability, and we continue to invest accordingly, in research and development, in manufacturing capability, and in technology-led products. Our commitment to ISO and API standards

is absolute, because in this industry a certificate is not a marketing claim but the precondition of being allowed to quote.

Our intellectual property portfolio now comprises 32 registered trademarks and 14 registered design patents, with further applications and registrations in progress. These protect designs that took years and considerable expense to prove. They are, in a real sense, the accumulated record of what we have learned about making equipment that does not fail.

Our people and our responsibilities

None of the above happens without the people who do it. The knowledge held by our engineers, machinists, inspectors and field personnel is the Company's most valuable asset and the hardest to replace. Throughout the year, we have continued to invest in their development, in safety, and in a working culture that rewards innovation and teamwork. I record my sincere appreciation of their contribution.

We remain committed to responsible manufacturing, to resource efficiency, waste reduction and sound environmental practice, and to conducting ourselves as a responsible corporate citizen in the communities

where we operate. Growth that is not sustainable is not growth; it is borrowing.

Outlook

I am confident about the long-term prospects of the oilfield equipment industry and about your Company's place within it. Domestic exploration, offshore development, international expansion, product diversification, and technological innovation will drive our growth in the years ahead, and each is a lever we can now pull.

Our priorities are unchanged and will remain so: profitable growth, operational excellence, financial discipline and sustainable value creation. The direction is set, and this year's results suggest it is right.

With the continued support of our shareholders, customers, employees and business partners, I am confident we will build a stronger, more competitive and globally recognised United Drilling Tools.

With warm regards,

Kanal Gupta
Managing Director



During and following the year, we secured export opportunities from Brazil, Russia, Taiwan and Uzbekistan. The Brazilian order, casing pipes with multi-start connectors, ultimately destined for Petrobras, establishes our presence in South America with a customer whose qualification standards are among the most demanding anywhere.



**To evolve with
innovation and reliability**

About Us

We make the equipment that holds the well together.

United Drilling Tools Limited is among India's oldest and top manufacturers of oil drilling tools and equipment

Who we are

United Drilling Tools Limited was founded in 1985 by Mr. Pramod Kumar Gupta on a conviction that has outlasted every cycle since: that equipment built to international specifications need not be imported to be trusted. Four decades on, the Company manufactures downhole tools, well service equipment, gas lift systems, and large-outside-diameter casing pipes and connectors, products operators run in the most demanding wells they drill, and that have earned UDTL a standing among some of the industry's most exacting names.

What distinguishes the Company is less any single product than how it builds value around it. Four decades of engineering knowledge are combined with in-house design and pricing that holds up against global suppliers, so that customers, employees, and shareholders each hold a claim on the result. The route here was deliberate: long technical collaborations with established American and European manufacturers, followed by the harder step of standing on its own. Today UDTL designs, builds and supports its own field-proven range and supplies it worldwide, giving clients the confidence and precision their operations demand.



Our Vision

Relentlessly focus on pioneering solutions for the E&P sector with devoted R&D clubbing global technology, enabling higher savings for oil production companies.



Our Mission

Providing world-class quality products compatible with API standards, developing our product lines to introduce new designs at very competitive costs, and creating a quality embargo globally, offering world-class solutions and products.



Our Values



Maximize output

We make effective use of all the resources at our disposal to attain optimal outcomes. Our diligent work practices guarantee a heightened level of productivity.



Customer focus

We are unwavering in our dedication to serving our customers' best interests, exemplified by our provision of world-class products and services meticulously tailored to their precise technical specifications.



Comprehensive approach

Our cohesive strategy empowers us to leverage the full spectrum of the company's resources, thereby capitalising on seamless collaboration and synergistic advantages.

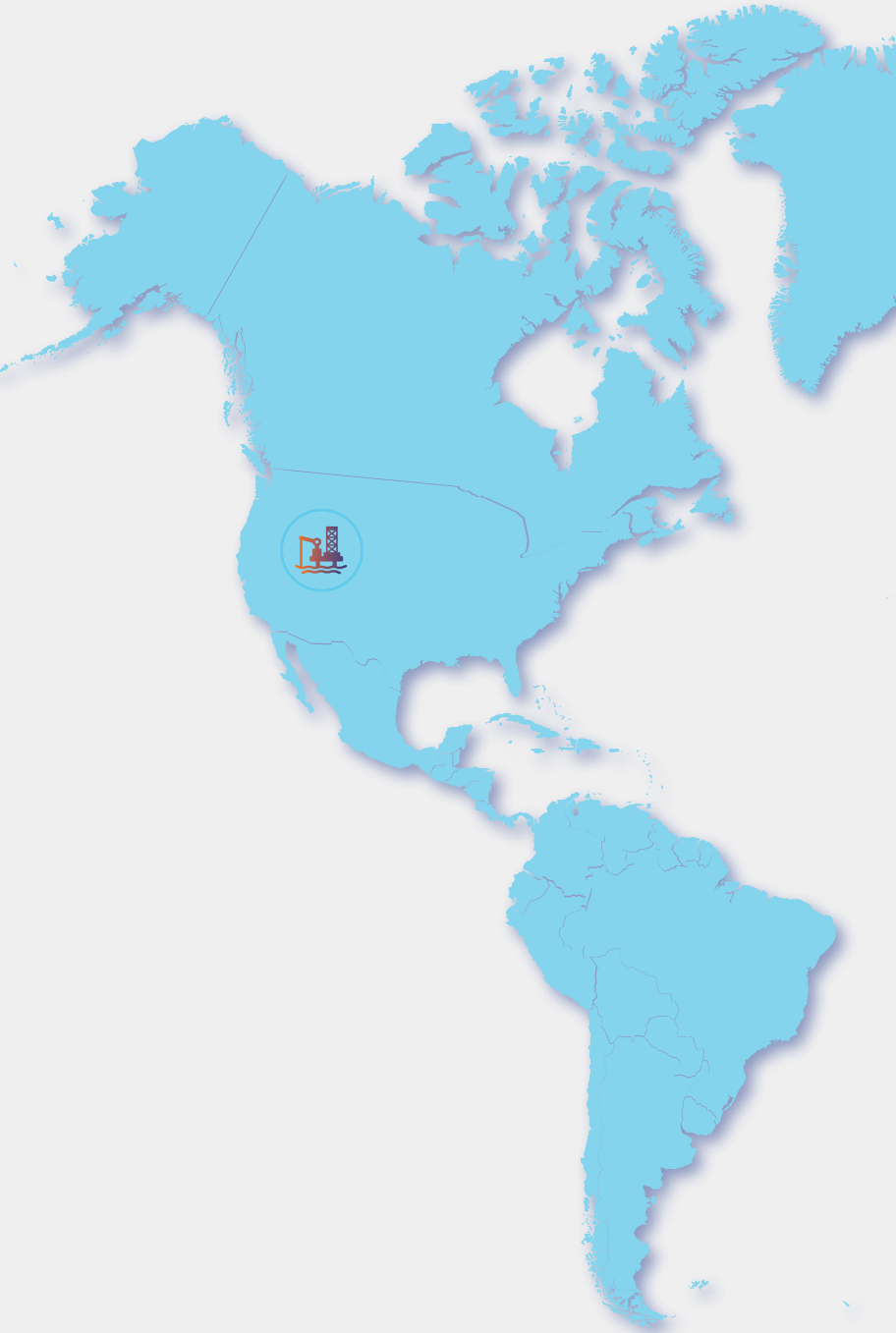


Corporate Snapshot

Where **We Are**

United Drilling Tools Limited operates from its corporate office in Noida, Uttar Pradesh, and manufactures at four facilities, two in Noida, one in Kandla and one in Mundra, in the Kutch district of Gujarat. Both are built and certified to the same standard, so operators receive an identical product from either. Beyond India, the Company is represented in its principal markets by dedicated representatives, putting technical support within reach of the customer rather than a time zone away.

Working alongside international partners, UDTL supplies drilling tools and equipment to operators in the United Kingdom, the United States, Canada, Russia, Indonesia, Brazil, Oman, Kazakhstan, the United Arab Emirates, Cameroon, and Saudi Arabia. In emerging markets, the Company builds its position through appointed agents, presently in Egypt, Vietnam, Kuwait, and Malaysia. Each appointment extends the range, deepens what can be offered locally, and adds value for every stakeholder.



Today UDTL serves
customers

in **16** countries



Corporate Snapshot

What We Make

Our offerings basket



Wireline Winch Units

Zone-I and Zone-II open-loop and closed-loop systems, including slim split, flyline, truckline, landline, scraping and survey-line units, truck-mounted wireline units and open- and cased-hole double-drum logging units, built around UDTL's own field-proven closed-loop hydraulic system, and among the most compact all-weather solutions available for well servicing

- UDT Slimsplit
- UDT Flyline
- UDT Surveyline
- UDT Truckline
- UDT Landline
- Wireline Accessories



Artificial Gas Lift Equipment

Injection-pressure and tubing-pressure operated gas lift valves, wireline-retrievable orifice and dummy valves, conventional and side pocket mandrels, latches, running and pulling tools, and kick-over tools — for effective artificial lift in both straight and deviated wells.

- Wireline Retrievable Gas Lift Valves
- Orifice Valves
- Side Pocket Mandrels
- Dummy & Equalizing Valves
- Latches
- Standing Valves & Seating Nipples
- Running & Pulling Tools
- Conventional Casing pressure
- Operated Gas Lift Valves
- Conventional Tubing pressure
- Operated Gas lift Valves
- Conventional Check Valves
- Conventional Gas Lift Mandrels



Down Hole Tools

Integral blade stabilisers and replaceable-sleeve stabilisers, and reaming tools proven across a range of formations.

- Interchangeable Sleeve Stabilizer
- Integral Blade Stabilizer
- Rotary Reamers
- Subs, Lifting Subs & Plugs



High-performance connectors and casing pipe

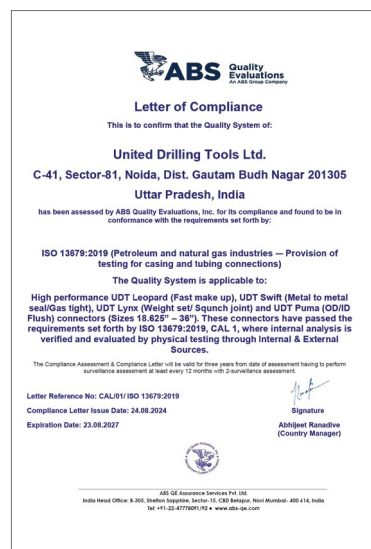
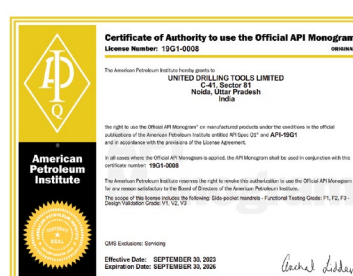
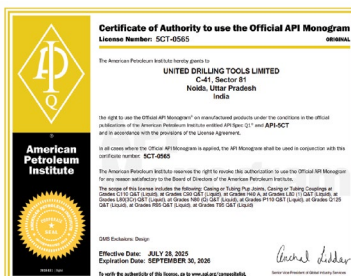
Multi-start connectors with protectors are available for large outside-diameter casing from 18 5/8" to 36". They are offered as loose connectors, casing pipe with connector joints, or as fabrication and welding services. Our Leopard, Swift, Lynx, and Puma ranges are in use in Indian deepwater wells.

- Leopard
- Swift
- Lynx
- Puma

Beyond the equipment

A tool that arrives without support is only half a supply. We provide turnkey installation services, service tools, and service personnel to supervise connector make-ups and run the pipe string, along with thread inspection and field repair and maintenance across our full connector range.

Our certifications



Corporate Snapshot

Our esteemed clientele

Domestic





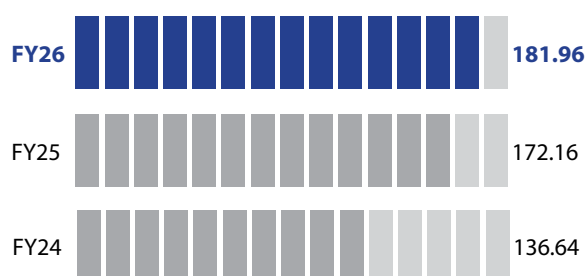
KPI

Our performance snapshot

Profit and loss indicators

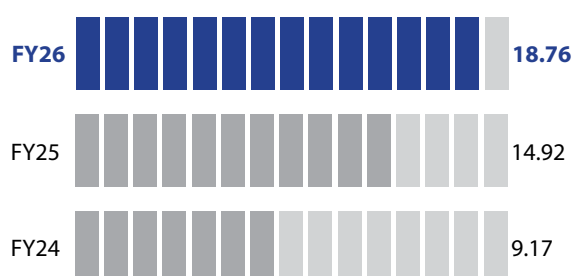
Net sales

(₹ in crores)



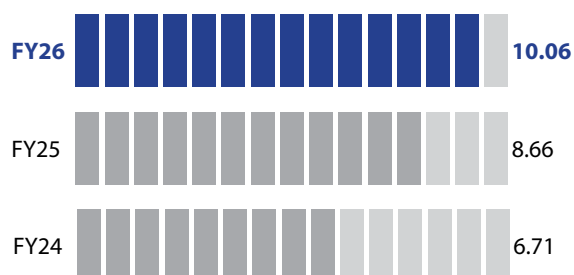
PAT

(₹ in crores)



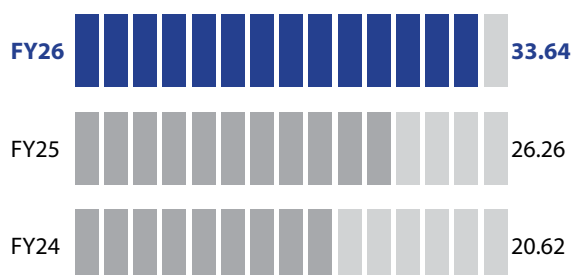
PAT Margin

(%)



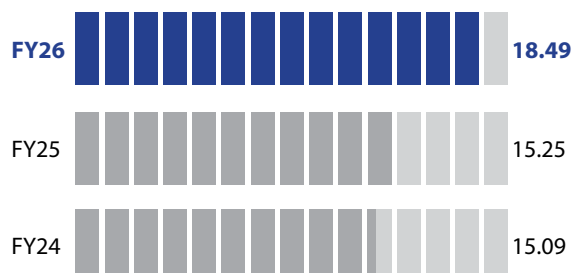
EBIDTA

(₹ in crores)



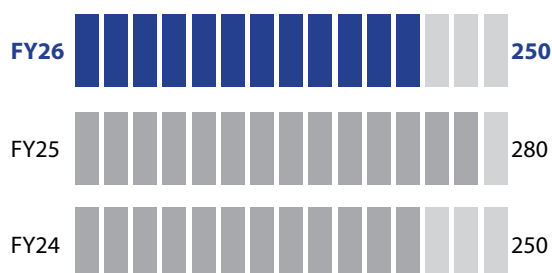
EBIDTA Margin

(%)



Order in the Pipeline

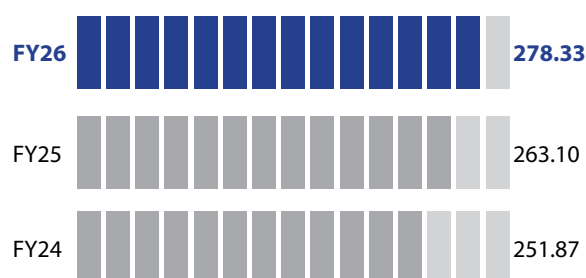
(₹ in crores)



Balance sheet indicators

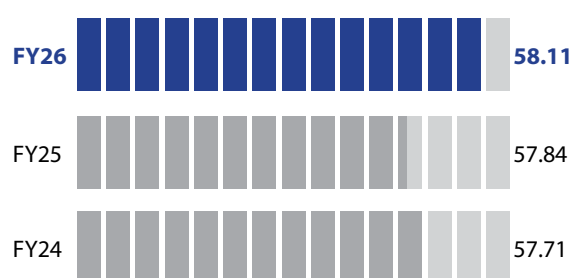
Net worth

(₹ in crores)



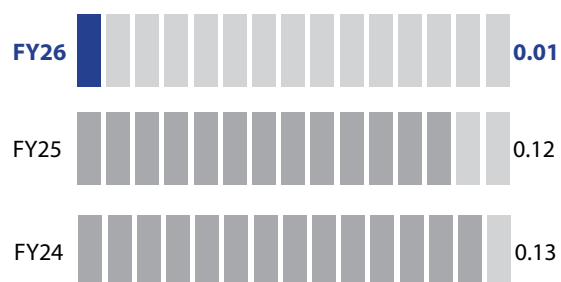
Net fixed assets

(₹ in crores)



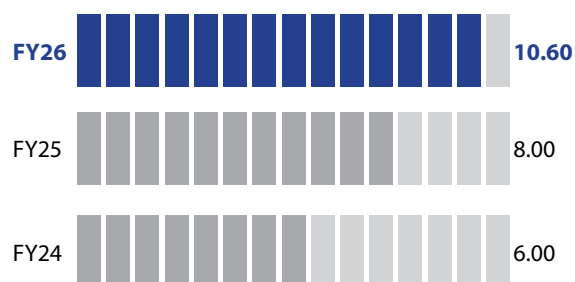
Debt-equity ratio

(times)



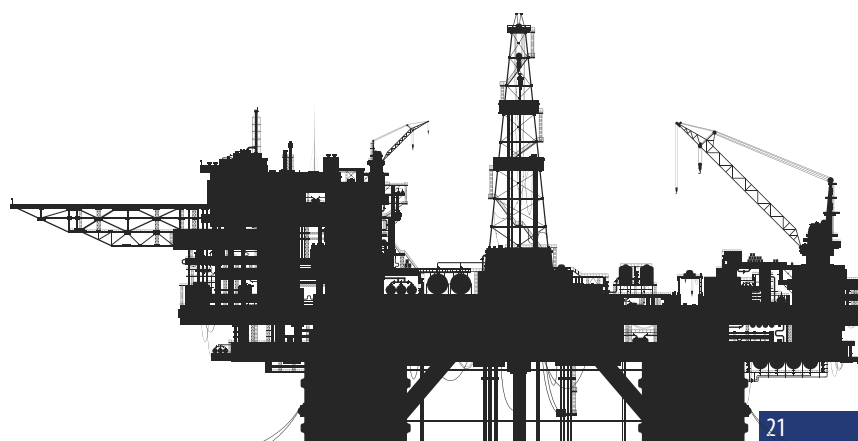
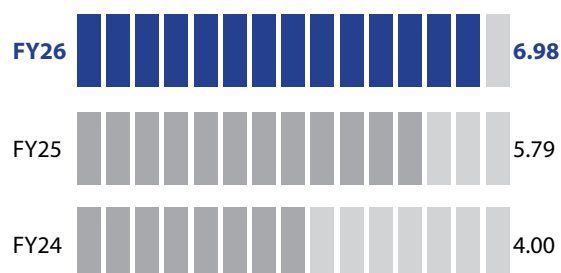
Return on Capital Employed

(%)



Return on equity

(%)



The Investment Case

An investment case built on forecasts is only as good as the forecasts. What follows is built instead on what the Company has already done, already holds, and is already certified to do.

01 | Qualification is the barrier, and we have already cleared it

In oilfield equipment, the obstacle to entry is not capital. It is qualification. A new entrant must obtain API licences, pass operator vendor audits, and then wait for a customer willing to run untested equipment in a well costing crores a day. Most never get past the third step.

The Company manufactures under seven active API licences, 5B-0391, 5CT-0565, 5L-0424, 7-1-0393, 7-2-0851, 19G1-0008 and 19G2-0010; operates three certified management systems, holds approved-vendor status with ONGC for connectors, and has connectors proven in 13 ONGC deepwater wells. It took four decades to build that position, and it can't be bought.

02 | The technology is owned, not licensed

The Company initially collaborated technically with American and European manufacturers but now operates independently. UDTL designs, manufactures, and supports its entire product range without reliance on external partners, holding patents and trademarks registered in India and internationally. No licensor claims a share of the profits, and no partner can revoke the manufacturing rights.

03 | We have just proven a capability the country did not have

The Company supplied 5,000 metres of 7-inch premium production casing to Oil India Limited, of which 4,000 metres were installed in a gas well at Lakowa, Sivasagar, Assam. Oil India has formally confirmed successful utilisation.

Premium connections seal metal to metal and stay gas-tight in high-pressure, high-temperature, corrosive, and deviated wells. The segment has been served in India almost entirely by a handful of global suppliers, for one reason: no manufacturer could be proven without a well to be proven in. That barrier is now behind us. What follows, approvals, tenders, & orders, is work, not capability

06

reasons, each of them already on the record.

04 | Import substitution is a national priority, and we are the domestic answer

India's upstream sector has historically imported the majority of what goes downhole. Domestic manufacture of that equipment is now explicit policy. In 2024, the Government of India recognised the Company's contribution to technology, patents, and trademarks for large-OD multi-start connectors and wireline winches. The Company is India's only manufacturer of long-OD multi-start connectors. In a category with no other domestic source, every such connector specified in an Indian well is either bought from us or imported.

05 | operating leverage is now visible in the numbers

In FY26, revenue from operations grew by 5.7% to 181.96 crore, while Profit After Tax increased by 25.7% to 18.76 crore. EBITDA stood at 33.64 crore, translating into an EBITDA margin of 18.5%. The improvement in profitability was driven by a favourable product mix and continued operational discipline, rather than being dependent solely on higher volumes. This provides a more sustainable foundation for future growth and profitability.

06 | The installed base pays more than once

Connectors, valves, mandrels, and stabilisers are consumed, damaged, and replaced in the ordinary course of drilling and production. Around them, the Company sells turnkey installation, service personnel who supervise connector make-ups and pipe-string running, thread inspection, and field repair and maintenance. Every unit placed in the field therefore creates two revenue streams rather than one, and an incumbency that is difficult for a competitor to displace mid-campaign.

Our Business Model

An order-driven manufacturing business with a very long front door.

What we do

UDTL converts steel into equipment that operators are willing to run in a live well. Everything upstream of it the machines, the licences, the engineers, the four decades - exists to make an operator's decision to trust our equipment a rational one.

We do not manufacture to stock, and we do not sell into a spot market. Each order is engineered to a customer's specification, built against a purchase order, tested, certified and delivered to a well programme. That makes the model deliberate rather than opportunistic, and it explains both its resilience and its lumpiness.

What we put in



Plant

Four manufacturing facilities, at Noida, Mundra and Kandla, organised into machine shops with CNC and special-purpose lathes, vertical turret lathes, vertical machining centres, milling and drilling machines and cylindrical grinders; fabrication, assembly and testing shops; and a dedicated quality testing unit. We continued to invest in our manufacturing capabilities in FY26 to strengthen our capabilities.



Material

Steel and forgings procured exclusively from suppliers working to ISO specifications, since a connector is only as sound as the bar it was cut from. Material cost is the single largest line in the cost of production, which is why the specification is fixed before the price is.



People

A skilled manufacturing crew working under qualified engineers, and a design, research, development, and engineering department that originates the range rather than reproducing it. Employees as at 31 March 2026 stood at 282.



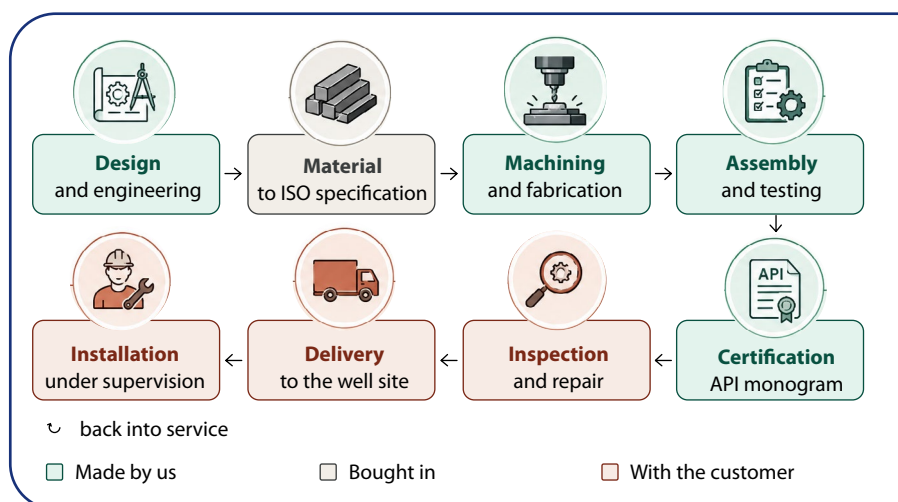
Licence to manufacture

Seven API licences, three certified management systems, and patents and trademarks registered in the Company's own name.



How we do it

Our manufacturing process



Almost the entire chain sits inside the Company. Only raw material is bought in. As a result, we control quality rather than inspect it, design changes reach the shop floor in days rather than through a licensor, and we don't share margin with an intermediate manufacturer at any step.

How we earn

Equipment

The primary stream. Connectors and casing pipe, wireline winch units, gas lift equipment and downhole tools, priced per order against specification, with pricing that reflects engineering content rather than tonnage.

Services

The second stream, and the reason the first one recurs. Turnkey installation, service personnel who supervise connector make-ups and the running of the pipe string, thread inspection, and field repair and maintenance across the range.

Replacement

Connectors, valves, mandrels, and stabilisers are consumed, damaged and replaced in the ordinary course of drilling and production. An installed base is therefore an annuity of sorts, though one that follows the customer's drilling activity rather than a contract.

Domestic sales are made directly to operators and drilling contractors. International sales are made through

partners, dedicated representatives, and appointed agents, from a footprint that includes Special Economic Zone facilities built for export.

What protects it

Three things, and they compound.

Qualification takes years. A competitor must obtain API licences, pass operator vendor audits and then persuade a customer to trial untested equipment in a well costing crores a day.

Switching mid-campaign is expensive. Connector systems, once specified into a well programme, are difficult to substitute without requalifying the string.

The technology is ours. No licensor claims the margin, and none can withdraw the right to manufacture.

What it produces

For customers, equipment that performs to international specification with support close to the wellhead.

For employees, skilled work and the engineering depth that comes from originating a product rather than assembling one.

For shareholders, FY26 profit after tax of ₹18.76 crore and a total dividend of ₹1.80 per equity share.

For the country, domestic manufacture of equipment that was, for most of this industry's history in India, imported.

Where the model is sensitive

Order-driven manufacturing means revenue arrives unevenly and follows operator capital expenditure, which we do not control. A concentrated domestic customer base means a single procurement cycle can move a year. Steel prices pass through to cost faster than they pass through to price. Export revenue carries currency exposure. These are properties of the model, not failures of it, and the Company manages rather than eliminates them.

Crossing into the **Premium Category**

**Four thousand metres in a gas well in Assam,
and a segment that was closed until now.**

For four decades, UDTL has manufactured casing connections to American Petroleum Institute specifications. That is a demanding standard, and meeting it is the reason we are on the vendor lists we are on. But above it sits another class of connection entirely, and until this year, no Indian manufacturer had been proven in it.



What happened

Under a supply order from Oil India Limited, Duliajan, UDTL delivered 5,000 metres of 7-inch premium production casing. Of that, 4,000 metres were installed and put to use in a gas well at the Lakowa site in Sivasagar, Assam, where the connections performed successfully in the field. Oil India Limited has formally confirmed the successful use of the Company's premium connection technology at its fields.

It is the first deployment of premium connections manufactured in India by UDT, and it moves UDTL beyond the API-graded product range it has supplied for forty years.

What makes a connection "Premium"

Most wells use casing joined by standard industry threads certified to API specifications. The thread carries the load, and the seal is made at the thread itself.

A premium connection does something harder. It seals metal to metal, at a machined interface independent of the thread, and it stays gas-tight where a standard connection would not: in wells at very high pressure, at high temperature, in corrosive conditions, and in deep or highly deviated holes where the string is worked hard on the way in.

The difference sounds small. In a gas well, it is the difference between a well that produces and a well that leaks.

Why the segment was closed

Premium connections in India have been supplied almost entirely by a handful of global manufacturers. The barrier was never demand. It was proof: no operator will run an untried premium connection in a gas well to find out whether it works, and without a well to run it in, no manufacturer can be proven.

That is the barrier this deployment removes. It cannot be removed twice, and a competitor's brochure cannot remove it.

What it opens

Having demonstrated the capability with one national oil company, the Company intends to pursue approvals and tenders with other major players in India and abroad. The same qualification is relevant to India's private exploration majors, and to the international oilfield service providers operating in the country.

Approvals in this industry are neither quick nor certain, and the Company makes no assurance as to their outcome or timing.

The size of the opportunity

India's premium casing and tubing market is substantial, and its demand is recurring rather than project-led; wells are drilled every year, and every well consumes casing. That demand comes from two sides: national oil companies and private explorers and oilfield service providers

UDTL delivered

5,000 metres of 7-inch premium production casing

operating alongside them. Both are markets the Company can now address.

Deepwater exploration and increasingly complex drilling conditions continue to push the mix toward premium, gas-tight connections. Until now, imports have largely met that demand.

Why it matters beyond revenue

The Government of India has made the indigenous manufacture of critical energy equipment an explicit priority. Premium casing has been among the clearest remaining gaps, a high-value, technically demanding product that India bought abroad because it could not yet be proven at home.

One gas well in Assam does not close that gap. It does show that an Indian manufacturer can close it to the standard the wells actually require.

What we are careful to say

This is a first deployment, not a market position. We have supplied one order and completed one well. We have not yet sought or received approvals from other operators, bid tenders, or competed in a segment served by established global suppliers with long track records. The Company sets out this milestone because it is genuine and material, not because the work that follows it is done.

A Stronger Direction.

Focused on progress. Driven by performance.

A company is defined less by its size than by where it is pointed. UDTL has spent four decades choosing its ground carefully, building the competencies that ground demanded, and aligning itself with the priorities of its customers and of the country. That patience was never caution. It was a direction held long enough to matter.

FY26 is the year in which the direction became visible. What follows is where we are pointed, what moved, and what it produced.

A Stronger Direction

We built ahead of the demand

We committed substantial capital this year to expand manufacturing capacity and broaden what that capacity can produce. The most significant of those commitments was completed this year: the first phase of our Mundra plant is now complete. It extends our footprint in Kutch, sits close to ports for the export markets we are building, and adds capability rather than simply floor space.

We are engineering for harder wells

Wells are becoming deeper, hotter, and more deviated, requiring equipment that adapts accordingly. We invested in cutting-edge manufacturing and design technologies and apply them to products designed for increasingly challenging onshore and offshore conditions. This improves both the consistency of our production and the quality of what we can deliver.



Focused On Progress

We added the people who will carry it

We added to our workforce during the year, and we intend to grow headcount considerably in the years to come. Recruitment has focused on the capabilities we'll need over the next few years rather than what we needed this year.

The constraint in this business has never been machines. It is engineers who can hold a tolerance, and crews who can be trusted to hold it when nobody is watching. Those are made over years, not hired in a quarter, which is why we begin before the demand does.

Performance is what funds the direction

Our successful Mundra investment was enabled by prudent capital allocation, financed while meeting commitments elsewhere and at a lower cost due to our strong balance sheet. In a cyclical industry, financial strength is not just a scorecard; it gives us the flexibility to invest when others cannot.

The judgement behind it

Our Board of Directors brings diverse expertise and long experience of this industry, enabling the Company to anticipate emerging trends and navigate a competitive landscape that changes with every capital expenditure cycle. Complementing the Board, an experienced management team converts that judgement into execution, turning opportunity into order, and orders into delivered equipment.

Who this is for

Customers

Equipment proven where it counts, in ONGC deepwater wells, and this year in premium gas-tight service, supported by our own people at the wellsite.

Employees

Continued investment in skills and engineering depth, and the growth that comes from originating products rather than assembling them.

Shareholders

Profit after tax up 25.7% in FY26, a total dividend of ₹1.80 per equity share.

Communities

Investment in community initiatives, such as education, healthcare & skills development, among others.

Our People.

A stronger direction begins with people.

Our equipment either holds or it does not.

There is no partial credit three kilometres down. That single fact shapes how we hire, train, and keep our people, because tolerance comes from a person, not a machine, and that person has to care about it day to day when nobody is watching.

Developing and retaining people with the curiosity to question convention, and the discipline to hold a standard, ultimately decides this business. Central to our philosophy is self-led development, supported by learning resources made available across the organisation.

Talent management

Our recruitment draws on the combined strength of our brand and our people. We actively encourage employee referrals, an approach that strengthens the pipeline and reflects our standing as an employer of choice, and we recruit young talent directly from campuses and technical institutes, bringing fresh perspective into teams where experience runs deep.

To retain talent, we offer compensation that extends beyond salary to health insurance, performance-linked rewards and attention to work-life balance. Our internal career development framework allows individuals to grow within the organisation, and a broad product range across four manufacturing locations means those opportunities exist across several verticals rather than one.

Wellbeing and safety

In our industry, safety is not a programme layered on top of the work. It is the same discipline that produces a sound connector, applied to the person producing it.

Our senior management has continued to embed safety as a value rather than a rule, recognising that priorities shift while values endure. Through tailored programmes, the majority of our employees, including the leadership team, undertook safety training during the year, aimed at building confidence in safety leadership and encouraging open debate about risk.

A collaborative and supportive workplace

We embrace our differences and work to sustain a culture in which everyone feels valued, respected and able to contribute. Employee-led diversity and inclusion initiatives raise awareness, build connections, and ensure the full range of perspectives informs decision-making.

Manufacturing has not historically been an easy sector in which to build a diverse workforce, and we do not claim to have solved that. We are working at it deliberately, and we would rather report progress honestly than describe an ambition as an achievement.



Sustainability

Progress we can account for.

Our Approach and Strategy

As benchmarks for excellence rise, sustainability now measures our success. We aim to improve across Environmental, Social, and Governance areas to become a respected international manufacturer of oilfield equipment.

Our goal is to be a forward-thinking solution provider, emphasizing safety, quality, and reliability. We develop better technology to protect the environment, support communities, and uphold ethics. In our industry, equipment failure is both a commercial and environmental risk. A gas-tight connection is vital for the environment as well as engineering. Building failure-proof equipment is our top sustainability goal.

Cornerstones of our ESG strategy

The four strategic pillars of our ESG strategy guide us in creating a positive impact on the environment and on society, where stakeholders find value and the business finds growth.





Environmental Stewardship

Sustainable operations: A machine shop's environmental footprint is unusually legible. Steel comes in; product and swarf go out; the ratio between them is most of the story. We continuously work to improve material yield, to remove less metal to reach a finished dimension, because in our business, efficiency and environmental performance are the same measurement read twice.

Sustainable supply chain: We procure steel and forgings exclusively from suppliers working to ISO specifications, and every bar arrives with mill certification tying it to a heat number. That traceability serves quality first, but it also means we know where our material originates and can hold suppliers to standards beyond price. We favour domestic sourcing wherever specification permits, shortening the distance our raw material travels and supporting Indian steelmaking.

Energy management: Machining is electricity-intensive work. CNC and special-purpose lathes, vertical turret lathes, machining centres and

heat treatment all draw heavily and continuously. We reduce that draw in two ways: by replacing older machines with more efficient ones as they reach end of life, and by shifting the balance of supply toward renewable generation.

Waste management: The principal waste stream from our operations is metal, turnings, offcuts and swarf, and metal has a quality most industrial waste does not: it returns. We segregate steel scrap generated in machining and channel it back for recycling rather than to landfill, re-entering the same supply chain it came from. Alongside this, integrated systems manage used cutting fluids and coolants, hazardous waste, and e-waste, each handled through authorised channels, with recycling prioritised over disposal.

Extending product life: Our strongest environmental contribution is one our industry rarely counts. Casing recovered from a well returns to us for thread inspection and, where required, repair, and goes back into service. A repaired, re-run connector is a connector that does

not have to be manufactured. That is circularity in its most literal form, and it has been part of our service offering for decades, not a recent initiative.

Social Stewardship

Promotion of education: We work to make quality education more accessible to underprivileged children through scholarships and financial assistance to deserving students, and by distributing books, stationery, uniforms, and digital learning tools. We also focused on helping improve infrastructure at government and community schools. Girl child education remained a particular focus, supported through literacy drives and vocational training aimed at employability.

Healthcare and health awareness: We conducted community awareness programmes on hygiene, nutrition, preventive care, maternal and child health, and communicable disease prevention, with dedicated initiatives on women's health and menstrual hygiene. Working with hospitals and healthcare institutions, we funded cataract

surgeries and treatment assistance for economically weaker households.

Support for old age homes: We partnered with established NGOs working for the welfare and dignity of senior citizens, providing food, clothing, blankets, bedding and essential medicines, alongside regular health check-ups, medical monitoring and physiotherapy. Our employees volunteered time for social and recreational activities with residents, and we contributed to home upkeep to keep living spaces safe, clean, and comfortable.

Hunger and poverty alleviation: With NGO partners, we distributed cooked meals in slums and underserved areas, reaching homeless individuals, daily wage earners and families in difficulty. We supplied dry ration kits of grains, pulses, oil, and other essentials to low-income households, and supported community kitchens and village adoption programmes to ensure food reached those communities during periods of hardship.

Distribution of essential items: Throughout the winter, we distributed blankets and bed sheets to the homeless and to those in inadequate shelter. Clothing, footwear and hygiene kits reached children, women and the elderly from economically weaker sections, while families affected by poverty and natural calamity received ration and survival kits. Nutrition packages were provided to malnourished children, expectant mothers, and nursing women.

Governance Excellence

Integrity is the foundation of long-term value creation at UDTL. Our

governance framework rests on fairness, responsibility, transparency, and accountability – ensuring compliance while safeguarding the interests of every stakeholder.

Governance through policies: A set of internal policies underpins ethical conduct, clear communication, and accountability, supporting sound risk management, better decision-making and readiness for what comes next. In our business those policies are reinforced by something external: manufacturing under five API monogram licences and three certified management systems means our processes are independently audited to a documented standard, year after year, by parties with no commercial interest in the result.

Upholding human rights: We work

to sustain a workplace where every individual can grow and contribute, with an emphasis on inclusivity, equal opportunity, and empowering persons with special needs. Respect, dignity, and fairness guide every professional interaction at every level and at every location.

Committees driving oversight

Several board-level committees monitor internal processes to ensure ethical alignment and continuous improvement.



Corporate Information

Board of Directors

- | | |
|---|--|
| 1. Mr. Pramod Kumar Gupta
DIN: 00619482 | <i>Chairman-cum-Non-Executive Director
(w.e.f; 12/08/2025)</i> |
| 2. Mr. Kanak Gupta
DIN: 01050505 | <i>Managing Director
(w.e.f; 12/08/2025)</i> |
| 3. Mr. Pandian Kalyanasundaram
DIN: 02568099 | <i>Non-Executive Independent Director
(upto 20/05/2026)</i> |
| 4. Mr. Inderpal Sharma
DIN: 07649251 | <i>Whole Time Director</i> |
| 5. Mrs. Preet Verma
DIN: 09124335 | <i>Non-Executive Independent Women Director
(re-appointed w.e.f; 25/06/2026)</i> |
| 6. Mr. Ved Prakash Mahawar
DIN: 07208090 | <i>Non-Executive Independent Director
(re-appointed w.e.f; 25/06/2026)</i> |
| 7. Mr. Khitish Kumar Nayak
DIN: 02155949 | <i>Non-Executive Independent Director
(Appointment w.e.f; 12/08/2025)</i> |

Chief Financial Officer

Mr. Manoj Kumar Arora

Company Secretary

Mr. Anand Kumar Mishra

Committees of Board of Directors

Audit Committee

- | | |
|--------------------------------|--------------------------------|
| 1. Mr. Khitish Kumar Nayak | : Chairman (w.e.f; 21/05/2026) |
| 2. Mr. Pandian Kalyanasundaram | : Chairman (upto 20/05/2026) |
| 3. Mr. Khitish Kumar Nayak | : Member (w.e.f; 14/02/2026) |
| 4. Mrs. Preet Verma | : Member |
| 5. Mr. Ved Prakash Mahawar | : Member |

Nomination and Remuneration Committee

- | | |
|--------------------------------|------------------------------|
| 1. Mr. Ved Prakash Mahawar | : Chairman |
| 2. Mr. Pandian Kalyanasundaram | : Member (upto 20/05/2026) |
| 3. Mrs. Preet Verma | : Member |
| 4. Mr. Khitish Kumar Nayak | : Member (w.e.f; 14/02/2026) |

Stakeholders Relationship Committee

- | | |
|--------------------------------|--------------------------------|
| 1. Mr. Khitish Kumar Nayak | : Chairman (w.e.f; 21/05/2026) |
| 2. Mr. Pandian Kalyanasundaram | : Chairman (upto 20/05/2026) |
| 3. Mr. Khitish Kumar Nayak | : Member (w.e.f; 14/02/2026) |
| 4. Mr. Kanak Gupta | : Member |
| 5. Mr. Ved Prakash Mahawar | : Member |

Corporate Social Responsibility Committee

- | | |
|--------------------------------|------------------------------|
| 1. Mr. Ved Prakash Mahawar | : Chairman |
| 2. Mr. Pandian Kalyanasundaram | : Member (upto 20/05/2026) |
| 3. Mr. Pramod Kumar Gupta | : Member |
| 4. Mrs. Preet Verma | : Member |
| 5. Mr. Khitish Kumar Nayak | : Member (w.e.f; 14/02/2026) |

Risk Management Committee

- | | |
|--------------------------------|------------------------------|
| 1. Mrs. Preet Verma | : Chairman |
| 2. Mr. Pandian Kalyanasundaram | : Member (upto 20/05/2026) |
| 3. Mr. Kanak Gupta | : Member |
| 4. Mr. Khitish Kumar Nayak | : Member (w.e.f; 14/02/2026) |

Auditors

Statutory Auditors

A P U & Company

Chartered Accountants

116, FF, Laxmi Deep, Laxmi Nagar District Center,
Vikas Marg, New Delhi – 110092

Internal Auditors

Grover Lalla & Mehta

Chartered Accountants

116, Laxmi Deep Building, Laxmi Nagar District Centre,
Laxmi Nagar, New Delhi-110092

Cost Auditors

M/s Swati Chaturvedi

Practicing Cost Accountant

C-0004, Homes 121, Sector – 121, Noida – 201301, Uttar Pradesh

Secretarial Auditors

Balraj Sharma & Associates

Practicing Company Secretaries

206 Munish Plaza, 20 Ansari Road, Opp. Fire Station, Darya Ganj,
New Delhi - 110002

Registered Office

United Drilling Tools Limited

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

Tel. No. 011-43046254, Email – COMPSECT@UDTLTD.COM

Corporate / Head Office

United Drilling Tools Limited

26th Floor, Astralis Tower, Supernova Complex, Sector-94, Noida,
Distt. Gautam Budh Nagar, Uttar Pradesh – 201301 IN

Tel. No. 0120-4842400, Email – COMPSECT@UDTLTD.COM

Manufacturing Units

1. C-41, Sector -81, Noida Distt. Gautam Budh Nagar,
Uttar Pradesh - 201305
2. Plot No. 523, New Area, KSEZ, Gandhidham, Kutch - 370230
3. Plot No. 129G/25-26, NSEZ, Noida, Uttar Pradesh - 201305
4. Plot No. 423/3 & 424/4 Luni, Luni to Gundala Road,
Mudra - Kuchh -370410, Gujarat.

Registrar and Share Transfer Agent

Beetal Financial & Computer Services Pvt. Ltd.

Beetal House, 3rd Floor, 99, Madangir, Near Dada Harsukh Dass Mandir,
B/H Local Shopping Centre, New Delhi-110062

Tel. No. 011-42959000-09, Email – BEETALRTA@GMAIL.COM

Listing of Equity Shares

BSE Limited

P J Towers, Dalal Street, Mumbai – 400001 MH

National Stock Exchange of India Ltd.

Exchange Plaza, Plot no. C/1,

G Block, Bandra-Kurla Complex, Bandra (E) Mumbai - 400 051

Bankers

1. Indian Bank
2. Axis Bank

Other Details

Website of the Company : WWW.UDTLTD.COM

Investor E-mail : COMPSECT@UDTLTD.COM

Corporate Identification No. : L29199DL1985PLC015796

Financial Year : 1st April to 31st March

BSE Scrip Code : 522014

NSE Scrip Code : UNIDT

ISIN : INE961D01019

44th Annual General Meeting

Wednesday, September 23, 2026 at 11:30 AM, through Video
Conferencing / Other Audio Visual Means (VC/OAVM) facility.

Deemed Venue for AGM: Registered office of the Company

Notice

NOTICE IS HEREBY GIVEN THAT the 44th Annual General Meeting ('AGM') of the Members of United Drilling Tools Limited ('the Company / UDTL') will be held on Wednesday, the 23rd day of September, 2026 at 11:30 A.M. (IST) through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), to transact following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (Standalone & Consolidated) of the Company for the financial year ended March 31, 2026, together with the reports of the Board of Directors ('the Board') and Statutory Auditor's thereon;

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**.

"RESOLVED THAT the audited standalone financial statements of the Company for the Financial Year ended March 31, 2026 including Audited Balance Sheet as at March 31, 2026 and the statement of Profit & Loss, Cash Flow Statement and Statement of Change in Equity for the Financial year ended on that date and the report of the Board of Directors and Statutory Auditors thereon, as circulated to the members, be and are hereby considered and adopted;

RESOLVED FURTHER THAT the audited consolidated financial statements of the Company for the financial year ended March 31, 2026 including audited Balance Sheet as at March 31, 2026 and the Statement of Profit & Loss, Cash Flow Statement and Statement of Change in Equity for the Financial Year ended on that date and the report of Statutory Auditors thereon, as circulated to the members, be and are hereby considered and adopted;

RESOLVED FURTHER THAT approval of the Members 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 thereof, which may exercise its powers, including the powers, conferred by this resolution) to do all such acts, deeds, matters and things and to take all such steps as may be required to give effect to this resolution."

2. To consider and approve Final Dividend and also confirm two Interim Dividend(s) for the Financial Year ended March 31, 2026.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**.

"RESOLVED THAT the payment of two (2) Interim Dividends and the Final Dividend of ₹0.60/- (Rupees Sixty Paise only) per Equity Share, aggregating to ₹1.80/- (Rupees One and Eighty Paise only) per Equity Share of ₹10/- each, fully paid-up, to the eligible Shareholders/Members of the Company, as declared/recommended by the Board of Directors at its meetings held on 12.08.2025, 14.02.2026 and 21.05.2026, respectively, for the financial year ended March 31, 2026, be and are hereby confirmed and approved;

RESOLVED FURTHER THAT the aforesaid dividends shall be paid/have been paid out of the distributable profits of the Company for the financial year 2025-26, in accordance with the applicable provisions of the Companies Act, 2013 and the rules made thereunder."

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

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 152(6) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Shri Inderpal Sharma (DIN - 07649251), Director of the Company, who retires by rotation at this Annual General Meeting and being eligible, offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

4. Re-appointment of M/s A P U & Company, Chartered Accountants (ICAI FRN - 019542N) as Statutory Auditors of the Company.

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 sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s)

or re-enactment(s) thereof, for the time being in force), and to consider the recommendation(s) of Audit Committee and thereupon approval granted by the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded to re-appoint M/s A P U & Company, Chartered Accountants, (ICAI FRN - 019542N) as the Statutory Auditors of the Company to hold office for a second term of four (4) consecutive year commencing from the conclusion of this 44th Annual General Meeting till the conclusion of the 48th Annual General Meeting of the Company to be held in the year 2030, to examine and audit the accounts of the Company, on payment of such remuneration plus applicable taxes and reimbursement of out-of-pocket expenses, as may be mutually agreed upon between the Board of Directors of the Company and the said statutory auditors;

RESOLVED FURTHER THAT the Board of Directors (which term shall be deemed to include any Committee of the Board authorised in this behalf) be and is hereby authorized and empowered to alter and vary the terms and conditions of appointment including remuneration etc., in such manner and to the extent possible, as may be mutually agreed with the Statutory Auditors and also severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

SPECIAL BUSINESS:

5. Ratification of remuneration payable to the Cost Auditors of the Company for the financial year ending March 31, 2027.

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 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the remuneration of ₹75,000/- (Rupees Seventy Five Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses incurred in connection with the aforesaid audit, payable to M/s Swati Chaturvedi, Practicing Cost Accountants, (Firm Registration Number: 100664), who have been appointed by the Board of Directors on the recommendation of Audit Committee, as Cost Auditors of the Company to conduct the audit of the cost records maintained by the Company as prescribed under the Companies (Audit and Auditors) Rules, 2014 as amended, for the Financial Year ending March 31, 2027;

RESOLVED FURTHER THAT the Board of Directors (which term shall be deemed to include any Committee of the Board authorised in this behalf) be and is hereby authorized and empowered to alter and vary the terms and conditions of appointment including remuneration etc., in such manner and to the extent possible, as may be mutually agreed with the Statutory Auditors and also severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

6. Related Party Transaction(s) with M/s Oil Drilling Consultancy Services, a sole proprietorship firm of Shri Pramod Kumar Gupta, Chairman-cum-Non-executive Director 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 provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, and pursuant to Regulations 17(6) and 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force, and in accordance with the Company's Policy on Related Party Transactions, and upon consideration of the recommendation of the Audit Committee and approval of the Board of Directors of the Company, consent of the shareholders/members of the Company be and is hereby accorded to the continuation of existing contract(s), arrangement(s) and/or transaction(s), including any modification(s) thereto, and/or entering into fresh and independent contract(s), arrangement(s) and/or transaction(s), as the case may be, with M/s Oil Drilling Consultancy Services, a sole proprietorship firm of Shri Pramod Kumar Gupta, Chairman-cum-Non-Executive Director of the Company, being a "Related Party" within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI Listing Regulations, for availing consultancy service(s) from the conclusion of 44th Annual General Meeting ("AGM") until the conclusion of the 45th AGM to be held in the year 2027, for supporting the Company's operations, enhancing system performance and resolving complex technical issues, on such terms and conditions as set out in the Explanatory Statement annexed to the Notice convening the AGM, and for a total consideration not exceeding the limits specified therein, as may be mutually agreed between the Company and

the Related Party, such contract(s), arrangement(s) and/or transaction(s) being undertaken in the ordinary course of business and on an arm's length basis, in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and the Company's Policy on Related Party Transactions;

RESOLVED FURTHER THAT any Director (including any member of the Audit Committee) and/or the Company Secretary-cum-Compliance Officer of UDTL be and are hereby severally authorised to execute and sign all necessary agreements, documents and instruments, and to modify, from time to time, the terms and conditions of the aforesaid contracts, arrangements and/or transactions, as may be deemed necessary, and to resolve any questions, difficulties or doubts that may arise in this regard, and to do all such acts, deeds and things, including MCA filing/s and/or any other applicable regulatory authority, as may be required, and to comply with all applicable requirements

and take all such steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto;

RESOLVED FURTHER THAT all actions taken by the Board of Directors of the Company in connection with any matter referred to or contemplated in this Resolution be and are hereby approved, ratified and confirmed in all respects."

For and on behalf of Board of
United Drilling Tools Ltd.

Date: 10/08/2026

Place: Noida

Registered Office:

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

Sd/-

Anand Kumar Mishra

Company Secretary
 M. No. FCS - 7207

Additional Information of Directors being appointed / re-appointed as required under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause 1.2.5 of Secretarial Standards (SS-2) on General Meetings issued by the Institute of Company Secretaries of India, in order of the items mentioned in the Notice

Name of Director – Shri Inderpal Sharma (DIN - 07649251)		
1.	Reason for Change	Re-appointment due to retire by rotation
2.	Date of Birth	15-12-1969
3.	Nationality	Indian
4.	Brief Profile / Resume / Exp.	He has 36 years of technical experience in the field of oil drilling tools and has been associated with the Company since the beginning of his career. He has extensive experience in plant operations, production processes, manufacturing, and technical management. His long-standing association with the Company and in-depth industry knowledge have contributed significantly to its operational efficiency and growth.
5.	Disclosure of Relationship	No relation with any other director, management or KMPs
6.	Directorship / Membership in other listed entities	Nil
7.	No. of Shares Held in UDTL	Nil

NOTES:

- (i) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 5 & 6 of the Notice, is annexed hereto. Further, the relevant details with respect to Item Nos. 3, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment / re-appointment at this AGM are also annexed.
- (ii) The Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 20/2020 dated May 5, 2020 read with subsequent General circulars issued by MCA from time to time, the latest one being General Circular No. 03/2025 dated September 22, 2025 ('MCA Circulars'), permitted convening of Annual General Meeting ("AGM") through Video Conferencing (VC) or Other Audio Visual Means (OAVM)", (collectively referred to as "MCA Circulars"), without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC /OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
- (iii) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- (iv) In accordance with the aforesaid MCA Circulars and the SEBI Circulars, the Notice of the AGM along with Annual Accounts for FY 2025-26 are being **sent ONLY through electronic mode** to those Members whose e-mail addresses are registered with the Company/Registrar and share transfer Agent/ Depositories/Depository Participants and a letter will be sent by the Company providing the web-link, including the exact path where complete details of the Annual Report including the Notice of the AGM is available, to those shareholder(s) who have not registered their e-mail address with the Company/Registrar and share transfer Agent/ Depositories/Depository Participants. The Company shall send physical copy of Annual Report for FY 2025-26 to those Members who request for the same at compsect@udtlttd.com or raises request with the RTA M/s Beetal Financial & Computer Services Private Limited, mentioning their Folio No./DP ID and Client ID. The Notice convening the 44th AGM along with the Annual Report for FY 2025-26 is also available on the website of the Company at www.udtlttd.com and websites of the Stock Exchanges where the securities of the Company are listed, i.e. BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.
- (v) The Members may join the AGM through VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairperson of Audit Committee, Nomination and Remuneration Committee Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- (vi) Since ensuing AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with in line with the MCA Circulars and SEBI Circulars. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum.
- (vii) Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (in PDF/ JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote E-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to balrajsharma@cdslindia.com with a copy marked to helpdesk.evoting@cdslindia.com.
- (viii) In case of joint holders attending the AGM through VC/ OAVM, only such joint holders who are higher in the order of their names as per the Register of Members of the Company,

as of the cut-off date i.e., Wednesday, September 16, 2026, will be entitled to vote at the Meeting.

- (ix) The Board, at its meeting held on May 21, 2026, recommended a final dividend of ₹0.60 per equity share of ₹10 each. Subject to approval by the Members at the ensuing AGM, the final dividend will be paid electronically on Thursday, October 8, 2026. The Company has fixed Wednesday, September 16, 2026, as the record date for determining the entitlement of Members to the final dividend for the financial year ended March 31, 2026.
- (x) The Company is required to deduct TDS from dividend paid to the Members at rates prescribed in the Income Tax Act, 2025 ('IT Act'). The Members are requested to update their Residential Status, PAN and Category with the Depository Participants ('DPs') (if shares held in dematerialized form) and the Company/RTA (if shares are held in physical form). Please send your documents through e-mail at beetalrta@gmail.com or compsect@udtlt.com, before close of business hours of Wednesday, September 16, 2026 to enable the Company to determine the appropriate TDS/withholding tax rate applicable to the Member, verify the documents and provide exemption.
- (xi) Members are requested to note that, dividends if not encashed for a period of 7 (seven) years from the date of transfer of unclaimed dividend to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF'). The shares in respect of which dividend remain unclaimed for 7 (seven) consecutive years are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members/Claimants are requested to claim their unclaimed dividends from the Company, within the stipulated timeline. The Members whose unclaimed dividends and/or shares have been transferred to IEPF may write to the Company/RTA and submit the required documents for issue of Entitlement Letter. The Members may then make an application to the IEPF Authority in web Form IEPF-5 (available on www.iepf.gov.in) by attaching the Entitlement Letter and other documents. The attention of Members is particularly drawn to the Corporate Governance Report forming part of the Annual Report, in respect of unclaimed dividends and transfer of dividends/shares to the IEPF. Further, the Company is sending request letters to eligible shareholders whose dividend remains unclaimed and whose shares are eligible for transfer to IEPF Authority during Financial Year 2026-27, requesting them to claim their dividends from the Company.
- (xii) Pursuant to SEBI Master Circular dated February 6, 2026 issued to the RTA read with other related SEBI Circulars and Regulation 12 of the SEBI Listing Regulations, SEBI has mandated that dividend to the shareholders holding shares

in physical mode shall be paid only through electronic mode. Such payment to the eligible shareholders holding physical shares shall be made only after they have furnished their PAN, Contact Details (Postal Address with PIN and Mobile Number), Bank Account Details, Specimen Signature, etc., for their corresponding physical folios with the Company or its RTA.

The forms for updation of PAN, KYC, Bank details and Nomination viz. Forms ISR-1, ISR-2, ISR-3 and SH-13 are available on our website at www.udtlt.com. In view of the above, we urge Members holding shares in physical form to submit the required forms duly filled up and signed, along with the supporting documents at the earliest to the RTA.

Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs. Further, Members holding shares in physical form are requested to ensure that their PAN is linked to their Aadhaar card.

- (xiii) In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, any new transfer, transmission or transposition requests for securities shall be processed in demat/electronic form only. Members holding shares of the Company in physical form are requested to kindly get their shares converted into demat/electronic form to get inherent benefits of dematerialisation.
- (xiv) Members may please note that listed companies are mandated to issue securities in demat form only while processing any service requests. Accordingly, Members are requested to make service requests by submitting a duly filled and signed relevant forms. It may be noted that any service request or complaint can be processed only after the folio is KYC compliant. Members holding shares in physical form may raise a service request at beetalrta@gmail.com for any assistance relating to the shares of the Company.
- (xv) To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
- (xvi) Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialised form only.

- (xvii) Pursuant to SEBI Circulars dated July 2, 2025 and January 6, 2026 read with SEBI Master Circular issued to RTAs dated February 6, 2026, Members who had submitted transfer deeds for physical shares before April 1, 2019, and whose requests were rejected, returned, or remained unprocessed due to deficiencies, have been provided a special re-lodgement window till February 4, 2027, to re-lodge the transfer requests. Transfers would be approved if all the requisite documents are in place. Transfer of shares under this window will be credited only in dematerialised form and will carry a one-year lock in period from the date of transfer registration. Members are requested to contact the Company or the RTA for assistance in this regard.
- (xviii) The SEBI Circular dated December 24, 2025 has simplified the framework for issuance of duplicate share certificates and related procedures. The documentation requirements have been standardized as below:
- Value Up to ₹10,000: Undertaking on plain paper (no notarisation required)
 - Value Above ₹10,000 and up to ₹10 lakh - Single Affidavit-cum-Indemnity Bond
 - Value Above ₹10 lakh - Affidavit-cum-Indemnity Bond along with FIR/Police Complaint and Newspaper Advertisement.
- Further, Letter of Confirmation ('LOC') will not be issued effective April 2, 2026 and shares will be credited directly to the shareholder's demat account by the RTA, subject to due diligence. Shareholders are requested to provide a Client Master List not older than two months, duly attested by their DPs.
- Any LOC issued before April 2, 2026, may be submitted by the shareholders to DP for dematerialisation within 120 days from the date of issuance of LOC.
- (xix) The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and relevant documents referred to in the Notice or Statement will be available for inspection by the Members before as well as during the AGM. Members seeking to inspect such documents can send an e-mail to compsect@udtltd.com from their registered e-mail address by mentioning their name, DP ID and Client ID/Folio No. and Mobile No.
- (xx) SEBI has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market. Post exhausting the option to resolve their grievance with the RTA/Company directly and/or through the SEBI SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>).
- (xxi) The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, September 17, 2026 to Wednesday, September 23, 2026 (both days inclusive) for Annual General Meeting.
- (xxii) The e-voting period commences at 10.00 a.m. on Sunday, September 20, 2026 and ends at 5.00 p.m. on Tuesday, September 22, 2026. The e-voting module shall be disabled by CDSL for voting thereafter. During this period shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date Wednesday, September 16, 2026 may cast their vote electronically.
- (xxiii) The voting rights of Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut off-date of Wednesday, September 16, 2026.
- (xxiv) The Board of Directors of the Company have appointed M/s Balraj Sharma & Associates (ICSI PR Certificate: 6262/2024), Company Secretaries, New Delhi represented by Mr. Varun Sharma (Membership No. ACS-21011, CP No. 26768) as the scrutinizer to scrutinize the remote e-voting process as well as voting during the Annual General Meeting in a fair and transparent manner.
- (xxv) The Scrutinizer shall after the conclusion of voting at AGM, unblock the votes casted through remote e-voting and voting at AGM and shall not later than two days submit a consolidated scrutinizer's report of the total votes cast in favour and against, if any, forthwith to the Chairman of the Meeting or any other person authorized by him.
- (xxvi) The Results declared along with the scrutinizer's report shall be placed on the Company's website www.udtltd.com, website of stock exchange/s and CDSL within 48 hours of conclusion of the AGM of the Company and communicated to the NSE and BSE where Company's equity shares are listed.

For and on behalf of Board of
United Drilling Tools Ltd.

Date: 10/08/2026

Place: Noida

Sd/-

Registered Office:

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

Anand Kumar Mishra

Company Secretary
M. No. FCS - 7207

Explanatory Statement

(Pursuant to section 102 of the Companies Act, 2013)

The following Explanatory Statement, as required under Section 102 of the Companies Act, 2013 ('the Act'), set out all the material facts relating to the businesses proposed to be transacted under Item No. 05 & 06 of the accompanying Notice dated August 10, 2026.

ITEM NO. 05

Ratify the remuneration payable to the cost auditors of the Company for the financial year ending March 31, 2027

Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 provides for:

- Appointment of a Cost Accountant in practice, to conduct audit of cost records of a Company, by the Board of Directors on the recommendation of Audit Committee; and
- Ratification of remuneration payable to her by the members of the Company.

In terms of the aforesaid provisions, the Board of Directors of the Company at its meeting held on August 10, 2026 and based on the recommendation of Audit Committee had approved the appointment of M/s Swati Chaturvedi, Practicing Cost Accountants, (FRN - 100664) as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2027.

The remuneration fixed for the said appointment is ₹75,000/- (Rupees Seventy Five Thousand only) plus applicable taxes and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor shall be ratified by the members of the Company.

Accordingly, consent of the Members is being sought to ratify the remuneration payable to the Cost Auditors.

None of the Directors or Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolution set out in Item No. 5 of this Notice for the approval of Members.

ITEM NO. 06

Approve the related party transactions with M/s Oil Drilling Consultancy Services, a sole proprietorship firm of Shri Pramod Kumar Gupta, Chairman-cum-Non-executive Director of the Company.

The Board of Directors proposes to enter into a contract/ arrangement with M/s Oil Drilling Consultancy Services, a sole proprietorship firm of Shri Pramod Kumar Gupta, Chairman-cum-Non-Executive Director of the Company, for availing technical consultancy and advisory services. M/s Oil Drilling Consultancy Services, proprietor Shri Pramod Kumar Gupta is a "Related Party" as per Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the proposed transaction is categorized as a Related Party Transaction.

Further Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, and Regulation 23 of the SEBI Listing Regulations, any transaction with a related party which is material in nature requires prior approval of shareholders and under Regulation 17 of the SEBI Listing Regulations, shareholders' approval is also required for payment of fees or compensation to non-executive directors, including promoters, in excess of prescribed thresholds.

M/s Oil Drilling Consultancy Services, proprietor Shri Gupta is a highly qualified and experienced professional with over four decades of leadership experience in India and abroad, particularly in the oil drilling equipment sector. He has been associated with the Company since its inception in 1985 and has held various key executive positions, including that of Chairman-cum-Managing Director. He holds a Bachelor of Engineering (B.E.) degree from BIT, Ranchi, and a Master of Science (M.S.) degree from Kansas State University, USA. He is also a certified Professional Engineer and a member of several esteemed professional bodies in the USA.

The Company proposes to engage M/s Oil Drilling Consultancy Services for providing light technical consultancy services in view of its extensive experience, strategic insight and technical expertise, which are expected to support the Company's ongoing business growth and technological advancement initiatives. Its guidance and expertise will be valuable in strengthening product innovation and development in key areas, including large OD casing pipe with high performance multi start connector, wireline winches, gas lift equipment and down-hole tools.

The consultancy services will also assist the Company in aligning its international business strategy, integrating research and development initiatives, and adopting global technologies to deliver high-value solutions for the Exploration and Production sector. Its expertise and guidance will further enable the Company to continue offering precision-engineered equipment and services conforming to international standards, while strengthening its commitment to quality, innovation and customer-centric growth.

The Audit Committee, at its meeting held on August 10, 2026, reviewed the certificate provided by the Chief Financial Officer and Whole time Director of the Company, confirming that the proposed Related Party Transaction(s) ("RPT(s)") are not prejudicial to the interests of the public shareholders of M/s United Drilling Tools Limited and that the terms and conditions of the proposed RPT(s) are not unfavourable to the Company, compared to the terms and conditions, had similar transaction been entered into between two unrelated parties.

The Disclosure in accordance with Industry Standards on "Minimum Information to be provided to the Audit Committee and Shareholders for Approval of Related Party Transactions (RPTs)" dated October 13, 2025 ("RPT Industry Standards") given Annexure to this Notice.

The proposed engagement shall be for a period commencing

from the conclusion of the 44th Annual General Meeting ("AGM") and continuing until the conclusion of the 45th AGM to be held in the year 2027, at a professional fee of ₹12,40,000/- (Rupees Twelve Lakh Forty Thousand only) per month, on such terms and conditions as may be approved by the Audit Committee and the Board of Directors of the Company.

Accordingly, based on the recommendation of the Audit Committee and the subsequent approval of the Board of Directors, the consent of the Members is being sought for approval of the proposed related party transaction(s) with M/s Oil Drilling Consultancy Services for providing consultancy services, including technical and advisory assistance, at a fixed consultancy fee of ₹12,40,000/- (Rupees Twelve Lakh Forty Thousand only) per month for the aforesaid period.

Save and except Shri Pramod Kumar Gupta and Mr. Kanal Gupta, none of the other Directors or Key Managerial Personnel ("KMPs") of the Company, or their respective relatives, is, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board of Directors recommends the Special Resolution set out under Item No. 6 of the Notice for approval of the Members.

Date: 10/08/2026

Place: Noida

Registered Office:

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

For and on behalf of Board of
United Drilling Tools Ltd.

Sd/-

Anand Kumar Mishra

Company Secretary
M. No. FCS - 7207

Annexure to Notice in terms of Section 188 of the Companies Act, 2013 and the rules made thereunder, read with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/135 dated October 13, 2025, SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, and the Industry Standards on "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions" dated October 13, 2025 ("RPT Industry Standards"), the following information in respect of the proposed Related Party Transaction(s) is provided below:

Summary of the information provided by the management of the listed entity to the Audit Committee / Board:

Sr. No.	Particulars	Information/ Details with respect to M/s Oil Drilling Consultancy Services
a)	Type, material terms and particulars of the proposed transaction	The Company proposes the related party transaction with M/s OIL Drilling Consultancy Services, a sole proprietorship firm of Shri Pramod Kumar Gupta, Chairman-cum-Non-Executive Director of the Company, by executing a fresh consultancy agreement. The consultancy services to be rendered shall, inter alia, include the following: 1. Supporting the Company's ongoing business growth and technological advancement initiatives. 2. Providing strategic and technical guidance to enhance product innovation in areas such as large OD casing pipe with high performance multi start connector, wireline winches, gas lift equipment, and down-hole tools. 3. Assisting in aligning the Company's international business strategy, research and development integration, and global technology adoption to deliver high-value solutions for the Exploration and Production (E&P) sector. The proposed transaction is considered beneficial to the Company in view of the specialised industry expertise and strategic inputs to be provided under the consultancy arrangement.
b)	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	M/s OIL Drilling Consultancy Services, a sole proprietorship firm of Shri Pramod Kumar Gupta, who:- (i) is a member of the Board of Directors of the Company; (ii) forms part of the Promoter and Promoter Group of the Company; and (iii) holds 70.74% of the equity share capital of the Company and classified as a "Related Party" in terms of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Indian Accounting Standard (Ind AS) 24 on Related Party Disclosures.
c)	Tenure of the proposed transaction (particular tenure shall be specified).	Commencing from the conclusion of the 44 th Annual General Meeting ("AGM") and continuing until the conclusion of the 45 th AGM, to be held in the year 2027.
d)	Value of the proposed transaction	The aggregate monetary value of the transactions under the said Agreement shall not exceed ₹1,48,80,000/- (Rupees One Crore Forty-Eight Lakh Eighty Thousand only) during the contractual period, on a non-recurring basis, subject to receipt of requisite approval from the Members of the Company.
e)	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	Value of the proposed transaction represents 0.80% (approx.) of the turnover (standalone) of the Company for FY 2025-26.
f)	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) details of the source of funds in connection with the proposed transaction; ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, a. nature of indebtedness; b. cost of funds; and c. tenure; iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	Not Applicable

Sr. No.	Particulars	Information/ Details with respect to M/s Oil Drilling Consultancy Services
g)	Justification as to why the RPT is in the interest of the listed entity	M/s Oil Drilling Consultancy Services, proprietor Shri Gupta is a highly qualified and experienced professional with over four decades of leadership experience in India and abroad, particularly in the oil drilling equipment sector. He has been associated with the Company since its inception in 1985 and has held various key executive positions, including that of Chairman-cum-Managing Director. He holds a Bachelor of Engineering (B.E.) degree from BIT, Ranchi, and a Master of Science (M.S.) degree from Kansas State University, USA. He is also a certified Professional Engineer and a member of several esteemed professional bodies in the USA. The Company proposes to engage M/s Oil Drilling Consultancy Services for providing light technical consultancy services in view of its extensive experience, strategic insight and technical expertise, which are expected to support the Company's ongoing business growth and technological advancement initiatives. Its guidance and expertise will be valuable in strengthening product innovation and development in key areas, including large OD high-performance connectors and casing pipes, wireline winches, gas lift equipment and down-hole tools.
h)	A copy of the valuation or other external party report, if any such report has been relied upon.	Not Applicable
i)	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis.	Not Applicable
j)	Any other information that may be relevant	Not Applicable
a)	A summary of the information provided by the management of the listed entity to the audit committee as specified in paragraph 4 of this section;	Please refer point (a) above
b)	Justification for why the proposed transaction is in the interest of the listed entity;	Please refer point (g) above
c)	Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary, the details specified under para (f) in the table above;	Not applicable
d)	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders;	Not applicable
e)	% of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis;	Please refer point (e) above
f)	Any other information that may be relevant	Not applicable

Disclosure in accordance with Industry Standards on “Minimum Information to be provided to the Audit Committee and Shareholders for Approval of Related Party Transactions (RPTs)” dated June 26, 2025 (“RPT Industry Standards”)

PART A

Minimum information of the proposed RPT, applicable to all RPTs

A(1). BASIC DETAILS OF THE RELATED PARTY

Sr. No.	Particulars of the information	Information provided by the management
1.	Name of the related party	M/s Oil Drilling Consultancy Services
2.	Country of incorporation of the related party	India
3.	Nature of business of the related party	Providing Consultancy Services

A(2). RELATIONSHIP AND OWNERSHIP OF THE RELATED PARTY

Sr. No.	Particulars of the information	Information provided by the management
1.	Relationship between the listed entity/subsidiary (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following: - Shareholding of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party. - Where the related party is a partnership firm or a sole proprietorship firm or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary). - Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary). <i>Explanation: Indirect shareholding shall mean shareholding held through any person, over which the listed entity/Subsidiary/ related party has control.</i> <i>While calculating indirect shareholding, shareholding held by relatives shall also be considered.</i>	M/s OIL Drilling Consultancy Services, a sole proprietorship firm of Shri Pramod Kumar Gupta, who:- (i) is a member of the Board of Directors of the Company; (ii) forms part of the Promoter and Promoter Group of the Company; and (iii) holds 70.74% of the equity share capital of the Company and classified as a “Related Party” in terms of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Indian Accounting Standard (Ind AS) 24 on Related Party Disclosures. Nil No Yes

A(3). DETAILS OF PREVIOUS TRANSACTIONS WITH THE RELATED PARTY

Sr. No.	Particulars of the information	Information provided by the management						
1.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year.	<table border="1"> <thead> <tr> <th>Sr. No.</th><th>Nature of Transactions</th><th>FY 2025-26</th></tr> </thead> <tbody> <tr> <td>1.</td><td>Consultancy Fees</td><td>₹94.80 Lacs</td></tr> </tbody> </table>	Sr. No.	Nature of Transactions	FY 2025-26	1.	Consultancy Fees	₹94.80 Lacs
Sr. No.	Nature of Transactions	FY 2025-26						
1.	Consultancy Fees	₹94.80 Lacs						
2.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	₹37.20 Lacs (till Q1 FY 2026-27)						
3.	Whether prior approval of Audit Committee has been taken for the above- mentioned transactions?	Yes						
4.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	No						

A(4). AMOUNT OF THE PROPOSED TRANSACTION(S)

Sr. No.	Particulars of the information	Information provided by the management								
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee.	Upto ₹148.80 Lacs								
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	No								
3.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year.	0.80%								
4.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	NA								
5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	100.00%								
6.	Financial performance of the related party for the immediately preceding financial year:									
	<table><tr><th>Particulars</th><th>FY 2025-26</th></tr><tr><td>Turnover</td><td>94.80 Lacs</td></tr><tr><td>Profit After Tax</td><td>47.83 lacs</td></tr><tr><td>Net Worth</td><td>0.54 lacs</td></tr></table>	Particulars	FY 2025-26	Turnover	94.80 Lacs	Profit After Tax	47.83 lacs	Net Worth	0.54 lacs	
Particulars	FY 2025-26									
Turnover	94.80 Lacs									
Profit After Tax	47.83 lacs									
Net Worth	0.54 lacs									
Explanations:										
The above information is to be given on standalone basis. If standalone is not available, provide on consolidated basis										

A(5). BASIC DETAILS OF THE PROPOSED TRANSACTION

Sr. No.	Particulars of the information	Information provided by the management	
1.	Specific type of the proposed transaction (e.g. sale of goods / services, purchase of goods / services, giving loan, borrowing etc.)	Technical consultancy services in view of his extensive experience, strategic insight and technical expertise, which are expected to support the Company's ongoing business growth and technological advancement initiatives.	
2.	Details of each type of the proposed transaction	Same as Above	
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	Commencing from the conclusion of the 44 th Annual General Meeting ("AGM") and continuing until the conclusion of the 45 th AGM, to be held in the year 2027.	
4.	Whether omnibus approval is being sought?	No	
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	Year	Amount (₹ in Lacs)
		2026-27	74.40
		2027-28	74.40
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	M/s Oil Drilling Consultancy Services, proprietor shri Gupta is a highly qualified and experienced professional with over four decades of leadership experience in India and abroad, particularly in the oil drilling equipment sector. He has been associated with the Company since its inception in 1985 and has held various key executive positions, including that of Chairman-cum-Managing Director. He holds a Bachelor of Engineering (B.E.) degree from BIT, Ranchi, and a Master of Science (M.S.) degree from Kansas State University, USA. He is also a certified Professional Engineer and a member of several esteemed professional bodies in the USA. The Company proposes to engage M/s Oil Drilling Consultancy Services for providing light technical consultancy services in view of its extensive experience, strategic insight and technical expertise, which are expected to support the Company's ongoing business growth and technological advancement initiatives. Its guidance and expertise will be valuable in strengthening product innovation and development in key areas, including large OD high-performance connectors and casing pipes, wireline winches, gas lift equipment and down-hole tools.	

Sr. No.	Particulars of the information	Information provided by the management
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. Explanation: Indirect interest shall mean interest held through any person over which an individual has control.	Shri Pramod Kumar Gupta is a Non-Executive Director of the Company and forms part of the Promoter Group, holding 70.74% of the paid-up equity share capital of the Company. Mr. Kanal Gupta is the Managing Director of the Company and also forms part of the Promoter Group, holding 0.01% of the paid-up share capital.
a.	Name of the director / KMP	1. Shri Pramod Kumar Gupta 2. Shri Kanal Gupta
b.	Shareholding of the director / KMP, whether direct or indirect, in the related party	Same as above
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors.
9.	Other information relevant for decision making.	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.

PART B

Information to be provided only if a specific type of RPT as mentioned below is proposed to be undertaken and is in addition to Part A,

B(1): Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances

Sr. No.	Particulars of the information	Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	No
2.	Basis of determination of price	As per industry standards
3.	In case of Trade advance (<i>of upto 365 days or such period for which such advances are extended as per normal trade practice</i>), if any, proposed to be extended to the related party in relation to the transaction, specify the following:	NA
a.	Amount of Trade Advance	-
b.	Tenure	-
c.	Whether same is self-liquidating?	-

Point No. B(2) to B(7) of table forming part of Clause 4 of the Standards is not applicable.

Date: 10/08/2026

Place: Noida

Registered Office:

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

For and on behalf of Board of
United Drilling Tools Ltd.

Sd/-

Anand Kumar Mishra

Company Secretary
M. No. FCS - 7207

CDSL e-Voting System – For e-voting and Joining Virtual meetings

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at www.udt ltd.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.
7. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation to this Ministry's General Circular No. 20/2020 dated 05.05.2020, General Circular No. 02/2022 dated 05.05.2022 and General Circular No. 10/2022 dated 28.12.2022 and after due examination, it has been decided to allow companies whose AGMs are due in the Year 2023 or 2024, to conduct their AGMs through VC or OAVM on or before 30th September, 2024 in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05.05.2020.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.
- (i) The voting period begins on 20/09/2026 at 10.00 am and ends on 22/09/2026 at 05.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 16/09/2026 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations

and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL Depository	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on "Shareholders" module.
 - 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant company i.e; United Drilling Tools Limited on which you choose to vote.
- (x) 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.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the 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.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, 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.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; balrajsharmafcs@gmail.com & compsect@udtltd.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves

as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at compsect@udtltd.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at compsect@udtltd.com. These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Assistant vice president, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

Director's Report

Dear Shareholders / Members,

The Board of Directors is pleased to present the 44th Annual Report of United Drilling Tools Limited ("UDTL" or the "Company"), which, inter alia, includes the Audited Financial Statements (Standalone and Consolidated) for the financial year ended March 31, 2026 ("FY 2025-26"). The Annual Report has been prepared in accordance with the provisions of the Companies Act, 2013, including amendments thereto currently in force (the "Act"), and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"). This Report provides an overview of the financial performance, business operations, and significant developments of the Company and its subsidiaries during the financial year ended March 31, 2026.

1. BUSINESS AND FINANCIAL PERFORMANCE

The Audited Financial Statements of your Company as on March 31, 2026, are prepared in accordance with the relevant applicable Indian Accounting Standards ("Ind AS") and the provisions of the Companies Act, 2013 ("Act").

1.1 Summarized Financial Highlights

(₹ in Lacs)

Particulars	STANDALONE		CONSOLIDATED	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Revenue from Operations	18,195.73	17,215.66	18111.88	16,827.43
Other Income	456.00	292.86	330.40	174.01
Total Income	18,651.73	17,508.52	18442.28	17,001.44
LESS Total Expenses	15,992.69	15,544.92	15757.37	15,013.23
Profit before Tax (PBT)	2,659.04	1,963.60	2684.91	1,988.21
LESS Tax Expenses	783.13	471.68	787.90	485.69
Profit after Tax (PAT)	1,875.91	1,491.92	1,897.01	1,502.52
Other comprehensive Income	12.52	(3.27)	11.83	(3.29)
Total comprehensive Income for the period, net of tax	1,888.43	1,488.65	1908.84	1,499.23

1.2 General Information & State of Company's Affairs

During FY 2025-26, the Company recorded revenue from operations, including other income, of ₹186.52 crores. Profit Before Tax (PBT) stood at ₹26.59 crores, while Profit After Tax (PAT) was ₹18.76 crores. Compared with the previous financial year, revenue, PBT and PAT increased by 5.69%, 35.39% and 25.74%, respectively, reflecting a healthy improvement in the Company's overall financial performance.

The domestic market continued to be the primary contributor to the Company's revenues, accounting for 95.51% of total revenue, excluding operating revenue of ₹18.02 lakhs. Exports contributed the remaining 4.49%. During the year, domestic revenue increased significantly to ₹173.63 crores from ₹140.31 crores in FY 2024-25.

The Company continued to maintain its presence across international markets, with export revenue contributing ₹8.14 crores during FY 2025-26. While the contribution from exports moderated during the year in line with market dynamics and business conditions, the Company remains focused on strengthening its international footprint, deepening relationships with existing customers and

identifying new opportunities to support sustainable growth in export markets.

UDTL continues to strengthen its position at the forefront of technological innovation in the oil and gas industry by continuously expanding its product capabilities and adopting advanced technologies. The Company's focus on innovation is aimed at delivering reliable, efficient and application-specific solutions that address the evolving requirements of its customers and enhance operational performance.

During the year, the Company made a significant advancement by entering into the premium connection technology segment. As part of this initiative, UDTL successfully executed a development order for premium connection casing pipes with multi-start connectors for Oil India Limited at Assam. This achievement represents an important milestone in the Company's technological journey and demonstrates its engineering capabilities in developing and delivering specialized casing solutions for demanding oil and gas applications. The successful execution of the development order also provides a strong foundation for the Company to further strengthen its capabilities in premium

connection technology and explore opportunities in this specialized segment.

UDTL has built a comprehensive portfolio of products catering to diverse requirements of the oil and gas industry. The Company specializes in large OD casing pipes with multi-start connectors, wireline and slickline winches, gas lift equipment and downhole tools, positioning itself as a single-source solution provider for a wide range of oilfield requirements. The Company's products are developed with a strong emphasis on precision engineering, durability and reliability, and are subjected to rigorous testing and quality controls in line with applicable international standards, including ISO and American Petroleum Institute (API) specifications.

The Company's technological capabilities are supported by a dedicated team of experienced engineers and technical professionals who provide comprehensive support across various stages of product development, deployment and after-sales service. This combination of engineering expertise, product knowledge and customer-focused technical support enables UDTL to provide solutions tailored to the operational requirements of its customers.

UDTL's commitment to technological advancement is further supported by its state-of-the-art manufacturing infrastructure. The Company, together with its wholly-owned subsidiary, operates six manufacturing facilities equipped to manufacture a diverse range of oilfield products while maintaining stringent quality and process standards. The facilities are aligned with various international certifications and standards, including ISO 13679:2019, ISO 9001:2005, ISO 45001:2018 and ISO 14001:2015, along with relevant American Petroleum Institute (API) License No. 5B-0391, 5CT-0565, 5L-0424, 7-1-0393, 7-2-0851, 19G1-0008 and 19G2-0010.

The Company is also progressing towards commissioning its new Greenfield manufacturing facility near Mundra Port, Gujarat. The facility is expected to further enhance manufacturing capacity, technological capabilities and logistical efficiency, while providing a strong platform to support the Company's future growth and product development initiatives.

UDTL continues to broaden its product portfolio through the development and introduction of innovative solutions such as UDT Chaser Subs / Drive Subs, UDT Circulating Head, UDT Crossovers & Pup Joints, UDT Anti-Rotation Device (Shear Tool), UDT Telescopic Mastline Unit and UDT BOP Control System for Truck-Mounted Slickline Winches. The Company has also introduced the UDT Hydraulic Testing Unit for Truck-Mounted Slickline Winches. These developments reflect the Company's ongoing efforts

to provide technologically advanced solutions with a focus on operational efficiency, safety and reliability.

During the year, the Company continued to enhance its manufacturing and engineering capabilities across key product categories, including wireline winches and multi-start connectors. The successful development and execution of the premium connection casing pipe with multi-start connector for Oil India Limited further demonstrates the Company's ability to translate its engineering expertise into application-oriented solutions for leading oil and gas companies.

Research and development remains an integral part of UDTL's growth strategy. The Company continues to undertake initiatives aimed at developing new products, expanding existing product ranges and improving product performance. During the year, the Company progressed with the development of additional connector sizes and new winch variants to address diverse customer requirements and emerging market opportunities.

Alongside product and technology development, UDTL continues to strengthen its market presence through strategic business initiatives. The Company has expanded its network of marketing associates in new geographies and actively participated in leading oil and gas industry events and conferences, including India Energy Week.

These initiatives provide valuable opportunities to engage with industry stakeholders, understand emerging requirements and develop new business relationships across domestic and international markets.

UDTL Group has established strong relationships with leading organizations in the oil and gas sector, including ONGC, Oil India, Focus Energy, Jindal Drilling, Welspun, Halliburton, Schlumberger, Shelf Drilling, American Completion Tools Inc., Argentera, Petrobras, Cactus, Baker Hughes, Cairn Oil & Gas (Vedanta), Megitech Energy, Taiwan, Trident Russia and Quippo Energy, among others. The Company serves a diverse customer base comprising government organizations, private sector enterprises and international customers, reflecting the broad applicability of its products and the trust placed in its technological and manufacturing capabilities.

Going forward, UDTL remains focused on strengthening its technology portfolio, expanding its premium connection capabilities, developing innovative oilfield solutions and leveraging its manufacturing and engineering strengths to address emerging opportunities in the global oil and gas industry. The successful execution of the premium connection casing pipe development order marks an important step in this direction and reinforces the Company's commitment to innovation, quality and customer-centric engineering.

2. DIVIDEND

During the year under review, the Board of Directors declared and paid two interim dividends aggregating to 12%, amounting to ₹1.20 per equity share of ₹10 each, in accordance with the Company's Dividend Distribution Policy and applicable provisions of law.

Further, the Board of Directors has recommended a final dividend of 6%, equivalent to ₹0.60 per equity share of ₹10 each, for the financial year under review. The proposed final dividend shall be paid out of the distributable profits of the Company for the year, subject to the approval of the Members at the ensuing Annual General Meeting ("AGM").

The final dividend, if approved by the Members, shall be paid to those shareholders whose names appear in the Register of Members, including the details of Beneficial Owners maintained by the Depositories, as on the Record Date, i.e., September 16, 2026.

The final dividend shall be paid on or after the date specified for such payment, after deduction of Tax Deducted at Source (TDS), wherever applicable, at the rates prescribed under the Income-tax Act, 1961, as amended from time to time.

2.1 Unclaimed Dividends

Details relating to outstanding and unclaimed dividends declared and paid by the Company in earlier years are provided in the Corporate Governance Report, forming an integral part of this Annual Report.

2.2 Investor Education and Protection Fund (IEPF)

The unclaimed and unencashed dividend pertaining to the Financial Year 2018-19 (Interim and Final Dividend) shall be transferred to the Investor Education and Protection Fund (IEPF) on or before the due date prescribed under the applicable provisions of the IEPF Rules.

Further, in accordance with the applicable provisions of the IEPF Rules, equity shares in respect of which dividends have remained unclaimed or unpaid for seven consecutive years shall also be transferred to the IEPF.

The year-wise details of amounts lying in the Unpaid Dividend Account, including the unclaimed or unencashed dividend amounts up to the current year, along with details of the corresponding shares liable for transfer to the IEPF, are provided in the Shareholder Information section of the Corporate Governance Report forming part of this Annual Report. These details are also accessible on your Company's web-site <https://udt ltd.com/investor-home/shareholder-information/dividend>.

2.3 Dividend Distribution Policy

In accordance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing

Regulations"), the Board of Directors of the Company ("Board") has formulated and adopted a Dividend Distribution Policy ("Policy"), setting out the principles and guidelines governing the declaration and distribution of dividends by the Company.

The Policy is available on the Company's website under the Policies section and may be accessed at <https://udt ltd.com/policies/>.

3. SHARE CAPITAL

During the year under review, there was no change in the authorised share capital of the Company. Further, the Company did not issue any equity shares, including equity shares carrying differential rights with respect to dividend, voting or any other rights. The Company also did not issue any sweat equity shares to its Directors or employees during the year.

As at March 31, 2026, the paid-up equity share capital of the Company stood at ₹20,30,31,260, comprising 2,03,03,126 fully paid-up equity shares of ₹10 each.

4. LISTING

The equity shares of UDTL continue to be listed on the two prominent domestic stock exchanges, namely BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company's shareholders continue to avail the services of both depositories, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), facilitating efficient and seamless holding and transfer of securities.

The Company has duly paid the applicable annual listing and depository fees for the Financial Year 2026-27 to the respective stock exchanges and depositories within the prescribed timelines.

5. PUBLIC DEPOSITS

During the financial year under review, the Company did not accept any deposits from the public within the meaning of Sections 73 and 74 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014, as amended from time to time.

Accordingly, as at the end of FY 2025-26, there were no outstanding deposits or amounts payable towards principal or interest in respect of deposits accepted from the public.

6. CREDIT RATING

The Company's banking facilities have been assigned a credit rating of BBB/Stable for long-term facilities and A3+ for short-term facilities. The ratings reflect the Company's established credit profile, track record of meeting its financial obligations and continued focus on maintaining sound financial discipline, thereby reinforcing the confidence of its lenders and other stakeholders.

7. CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company and its subsidiaries for the Financial Year 2025-26 have been prepared in accordance with the applicable provisions of the Companies Act, 2013 ("the Act"), the requirements prescribed under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

The consolidated financial statements have been prepared to ensure compliance with the applicable statutory and regulatory requirements and to present a true and fair view of the financial position and performance of the Company and its subsidiaries.

8. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

In accordance with the provisions of Sections 129, 134 and 136 of the Companies Act, 2013 ("the Act"), read with the rules made thereunder, and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Company has prepared consolidated financial statements comprising the financial statements of the Company and its wholly-owned subsidiary.

The statement containing the salient features of the financial statements of the subsidiary, in Form AOC-1, including details of its performance and financial position, forms part of this Annual Report and is provided as "Annexure-1".

In accordance with Section 136 of the Act, the audited financial statements of the Company, including the consolidated financial statements, together with the relevant financial information of the subsidiary, are available on the Company's website for the information of the Members. The said documents shall also be available for inspection by the Members during business hours at the Registered Office of the Company up to the date of the ensuing Annual General Meeting.

The Policy for Determining Material Subsidiaries formulated by the Company in accordance with the applicable regulatory requirements is available on the Company's website under the Policies section and may be accessed at <https://udtltd.com/policies/>.

9. AUDITORS AND THEIR REPORTS

9.1 Statutory Auditors and Statutory Audit Reports

The Members of the Company at 43rd Annual General Meeting ("AGM") held on September 23, 2025, approved the appointment of M/s A P U & Company, Chartered Accountants (ICAI Firm Registration No. 019542N) as the Statutory Auditors of the Company for a term of one year,

commencing from the conclusion of the 43rd AGM until the conclusion of the 44th AGM scheduled to be held in the year 2026.

In accordance with the provisions of the Companies Act, 2013 and the rules made thereunder, a statutory audit firm is eligible for appointment for a maximum of two terms of five consecutive years each, subject to the applicable provisions. The present term of M/s A P U & Company expires at the conclusion of the 44th AGM.

Considering their performance, experience and professional competence during their existing tenure, the Audit Committee and the Board of Directors, after due consideration, have recommended the re-appointment of M/s A P U & Company as Statutory Auditors for a second term of four consecutive years, commencing from the conclusion of the 44th AGM to be held on September 23, 2026, until the conclusion of the 48th AGM to be held in the year 2030, subject to the approval of the Members.

The remuneration payable to the Statutory Auditors for the financial year 2025-26 shall be ₹7.5 lakh plus applicable taxes and reimbursement of out-of-pocket expenses. The remuneration for the remaining tenure of their proposed second term shall be mutually agreed between the Board of Directors and M/s A P U & Company from time to time.

M/s A P U & Company have confirmed that they are eligible for re-appointment and are not disqualified under the applicable provisions of the Companies Act, 2013 and the rules made thereunder.

The Independent Auditor's Report on the Standalone and Consolidated Financial Statements for FY 2025-26 forms part of this Annual Report and does not contain any qualification, reservation, adverse remark or disclaimer. Further, the Statutory Auditors have not reported any fraud under Section 143(12) of the Companies Act, 2013 during the year under review. Accordingly, no disclosure is required under Section 134(3)(ca) of the Act.

The proposal for re-appointment of M/s A P U & Company, together with the requisite details, forms part of the Notice convening the 44th AGM and is being placed before the Members for their consideration and approval.

9.2. Secretarial Auditors & Secretarial Audit Report

The Members of the Company at 43rd Annual General Meeting ("AGM") held on September 23, 2025, approved the appointment of M/s Balraj Sharma & Associates, Company Secretaries, as the Secretarial Auditor of the Company for a term of two consecutive years, commencing from the conclusion of the 43rd AGM until the conclusion of the 45th AGM to be held in 2027, for conducting the Secretarial Audit for FY 2025-26 and FY 2026-27.

During the year under review, the Company extended all necessary cooperation, assistance and facilities to the Secretarial Auditor for conducting the audit.

The Secretarial Audit Report in Form MR-3 for FY 2025-26 forms part of this Directors' Report and is enclosed as "Annexure-2".

9.3 Internal Auditor & Internal Audit Reports

During the year under review, pursuant to the provisions of Section 138 of the Companies Act, 2013 ("the Act") and the applicable provisions of the SEBI Listing Regulations, M/s Grover Lalla & Mehta, Chartered Accountants (ICAI FRN: 002830N), represented by Mr. Pankaj Bansal, were appointed as the Internal Auditors of the Company for the Financial Year 2025-26.

M/s Grover Lalla & Mehta, Chartered Accountants, bring relevant experience and professional expertise in the areas of Taxation, Finance and Accounts, enabling them to effectively discharge their responsibilities as Internal Auditors. Their appointment further supports the Company's commitment to maintaining robust internal controls, sound financial management practices and high standards of corporate governance.

During the year, the Internal Auditors submitted their quarterly reports to the Audit Committee for its review and consideration. The reports submitted by the Internal Auditors did not contain any qualification, reservation or adverse remark.

9.4 Cost Auditors, Cost Records and Cost Audit Report

During the year under review, the Company complied with the requirements of Section 148(1) of the Companies Act, 2013 ("the Act") by maintaining the prescribed cost accounts and records in accordance with the applicable rules and requirements notified by the Central Government.

The cost accounts and records maintained by the Company for the Financial Year 2025-26 were duly audited by M/s Swati Chaturvedi, Practicing Cost Accountants (Firm Registration No. 100664), appointed as the Cost Auditors of the Company. The Cost Auditor has completed the audit of the cost records of the Company for FY 2025-26. The Cost Audit Report did not contain any qualification, reservation, adverse remark or adverse observation, reflecting the Company's compliance with the applicable requirements relating to maintenance of cost records.

The Board of Directors has also re-appointed M/s Swati Chaturvedi, Practicing Cost Accountants (Firm Registration No. 100664) as the Cost Auditors of the Company for the Financial Year 2026-27 to conduct the cost audit in accordance with the applicable statutory and regulatory requirements. A resolution seeking the approval of the Members for ratification of the remuneration payable to the

Cost Auditors for FY 2026-27 has been included in the Notice convening the ensuing Annual General Meeting ("AGM").

The Company has duly maintained the cost accounts and records as prescribed under Section 148(1) of the Act and the rules made thereunder.

9.5 Annual Secretarial Compliance Report

During the financial year under review, the Company undertook a comprehensive review of applicable statutory and regulatory compliances in accordance with Regulation 24A of the SEBI Listing Regulations read with the applicable circulars and guidelines issued thereunder.

The Annual Secretarial Compliance Report for the Financial Year ended March 31, 2026, issued by M/s Agrawal Manish Kumar & Co., Practicing Company Secretaries, was duly submitted to the Stock Exchanges in accordance with the applicable provisions of the SEBI Listing Regulations and has also been made available on the Company's website at www.udttd.com.

9.6 Reporting of Frauds by Auditors

During FY 2025-26, the Statutory Auditors, Internal Auditors and Secretarial Auditors of the Company have not reported any instance of fraud committed by the officers or employees of the Company to the Audit Committee under Section 143(12) of the Companies Act, 2013, read with the rules made thereunder.

Accordingly, there were no matters relating to fraud reported by the aforesaid auditors requiring consideration or reporting by the Audit Committee during the financial year under review.

10. CFO CERTIFICATION

Pursuant to Regulation 17(8) read with Schedule II, Part B of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Managing Director and Chief Financial Officer ("CFO") of the Company have provided the requisite certification confirming, inter alia, the accuracy and correctness of the Standalone and Consolidated Financial Statements and Cash Flow Statements of the Company for the year ended March 31, 2026, along with the adequacy and effectiveness of the internal control measures relating to financial reporting.

The certificate dated August 10, 2026, issued by the Managing Director and CFO, forms an integral part of this Annual Report and is enclosed as "Annexure-3".

11. DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

The Company has adopted a comprehensive Code of Conduct applicable to its employees, including the

Managing Director, Executive Directors, Non-Executive Directors and Independent Directors. The Code is designed to promote ethical conduct, integrity, accountability and responsible business practices across the organisation.

In accordance with the applicable provisions of the SEBI Listing Regulations, 2015, the Company has received a compliance confirmation certificate from the Managing Director confirming adherence to the Code of Conduct during the relevant period. The certificate dated August 10, 2026 forms part of this Annual Report and is enclosed as **"Annexure-4"**.

12. CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

None of the Directors of the Company, who were on the Board during the Financial Year ended March 31, 2026, have been debarred or disqualified from being appointed or continuing to act as Directors of the Company under the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations.

The Company has received a certificate dated August 03, 2026, from a Practicing Company Secretary, confirming that none of the Directors of the Company is disqualified or debarred from being appointed or continuing as a Director. The said certificate forms part of this Annual Report and is enclosed as **"Annexure-5"**.

13. CORPORATE SOCIAL RESPONSIBILITY

During the year under review, the Company has duly complied with the provisions of Section 135 of the Companies Act, 2013 ("the Act") and has spent an amount equivalent to 2% of the average net profits of the Company for the three immediately preceding financial years towards its Corporate Social Responsibility ("CSR") obligations.

In accordance with the provisions of Section 135 of the Act, as amended from time to time, read with the applicable notifications and rules issued by the Ministry of Corporate Affairs ("MCA"), the Company has reviewed and updated its Corporate Social Responsibility Policy to align with the applicable statutory requirements.

A brief outline of the CSR Policy, together with the details of the CSR initiatives undertaken by the Company and the disclosures prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014, is provided in **"Annexure-6"** to this Report and forms an integral part thereof.

The CSR Policy is available on the website of the Company i.e; <https://udtltd.com/policies/>.

14. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

In accordance with Regulation 34 of the SEBI Listing Regulations, the Management Discussion and Analysis

("MD&A") Report for the financial year under review has been presented as a separate section of this Annual Report.

The MD&A Report provides an overview of the Company's business performance, industry trends, operational developments, financial performance and key opportunities and challenges during the year under review. The same forms an integral part of this Annual Report and is enclosed as **"Annexure-7"**.

15. CORPORATE GOVERNANCE

We remain committed to upholding the highest standards of Corporate Governance, transparency, accountability and ethical business practices. The Company continuously strives to strengthen its governance framework and ensure adherence to the applicable requirements prescribed under the SEBI listing Regulations and other applicable laws.

The Company believes that sound corporate governance practices are fundamental to building long-term stakeholder confidence and supporting sustainable growth. Accordingly, the Company continues to adopt and implement appropriate governance practices with a focus on transparency, responsible decision-making and protection of stakeholders' interests.

Pursuant to Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, the Corporate Governance Report, together with the Certificate issued by the Practicing Company Secretary confirming compliance with the applicable Corporate Governance requirements, forms an integral part of this Annual Report and is provided as **"Annexure-8"** and **"Annexure-9"**, respectively.

16. PARTICULARS OF EMPLOYEES AND REMUNERATION

The disclosures relating to remuneration and other particulars as prescribed under Section 197(12) of the Companies Act, 2013 ("the Act"), read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in **"Annexure-10"** to this Report and form an integral part thereof.

Further, the statement containing the particulars of the top ten employees, together with the other prescribed employee-related disclosures required under Section 197(12) of the Act, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided as a separate Annexure forming part of this Report.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company remains committed to the responsible and efficient use of energy across its manufacturing facilities, while maintaining a strong focus on environmental stewardship

and sustainable operations. Energy conservation initiatives are undertaken through the optimisation of electricity and fossil fuel consumption, improvement in energy efficiency and enhancement of overall energy productivity. These measures not only contribute to operational efficiency and cost optimisation but also support the Company's efforts towards reducing its environmental footprint and mitigating greenhouse gas emissions.

In accordance with the requirements of Section 134(3)(m) of the Companies Act, 2013 ("the Act"), read with Rule 8 of the Companies (Accounts) Rules, 2014, the prescribed particulars relating to conservation of energy, technology absorption, foreign exchange earnings and foreign exchange outgo are provided in "Annexure-11" to this Report and form an integral part thereof.

18. BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

Pursuant to Regulation 34(2)(f) of the SEBI Listing Regulations, the Company's initiatives and performance from an Environmental, Social and Governance ("ESG") perspective for the financial year under review are presented in the Business Responsibility and Sustainability Report ("BRSR").

The BRSR has been prepared in accordance with the format and disclosure requirements prescribed by the SEBI including the applicable provisions and circulars issued from time to time.

The BRSR, containing details of the Company's ESG initiatives, practices and performance, forms an integral part of this Annual Report and is provided as "Annexure-12".

19. RELATED PARTY TRANSACTIONS

The Board of Directors of the Company has formulated and adopted a policy and framework governing Related Party Transactions ("RPTs"), with the objective of ensuring that such transactions are undertaken in a transparent manner and in the best interests of the Company and its stakeholders.

During FY 2025-26, all transactions entered into by the Company with related parties were undertaken in the ordinary course of business and on an arm's length basis.

The transactions were reviewed and recommended by the Audit Committee in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations. Further, all material related party transactions and material modifications thereto, wherever applicable, were undertaken only after obtaining the requisite approval of the Members of the Company.

During the year under review, the Company did not enter into any related party transaction that could be considered prejudicial to the interests of the Company or its minority shareholders.

The Audit Committee comprises entirely of Independent Directors. Members of the Audit Committee abstained from participating in discussions and voting on matters relating to transactions in which they had a direct or indirect interest, in accordance with the applicable provisions and governance practices.

The particulars of contracts or arrangements entered into by the Company with related parties, as referred to in Section 188(1) of the Companies Act, 2013, are provided in Form AOC-2, which is annexed to this Report as "Annexure-13".

Pursuant to Regulation 23 of the SEBI Listing Regulations, the Company has submitted the prescribed half-yearly disclosures of Related Party Transactions to the Stock Exchanges within the stipulated timelines.

The details of Related Party Transactions undertaken during the year are disclosed in the Standalone Financial Statements forming part of this Annual Report.

The Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions, as approved by the Board of Directors, is available on the Company's website under the Policies section and may be accessed at <https://udtltd.com/policies/>.

20. INTERNAL FINANCIAL CONTROL, AUDIT SYSTEMS AND THEIR ADEQUACY

The Company has established and maintained adequate internal financial control systems commensurate with the size, scale and complexity of its operations. These controls are designed to support the orderly and efficient conduct of the Company's business, ensure adherence to applicable policies and procedures, safeguard its assets, prevent and detect frauds and errors, maintain the accuracy and completeness of accounting records, and facilitate the timely preparation of reliable financial information.

Internal Control over Financial Reporting ("ICFR") forms an integral part of the Company's overall internal control framework and plays an important role in maintaining the integrity, reliability and transparency of financial reporting. The Company continuously endeavours to strengthen its internal control environment and align its practices with evolving industry standards and best practices.

As part of its Internal Audit Programme, the Company periodically evaluates the design and operating effectiveness of various internal controls across its business processes. Areas requiring improvement are identified and reviewed on a timely basis, with appropriate corrective and remedial measures undertaken to strengthen the control environment. The Internal Audit Plan is aligned with the Company's business objectives and is reviewed and approved by the Audit Committee.

The Audit Committee also reviews and monitors the adequacy and effectiveness of the Company's internal control framework, including the implementation of recommendations arising from internal audits, thereby ensuring continuous improvement in the Company's internal control processes.

21. ANNUAL RETURN

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013 ("the Act"), read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company for FY 2025-26 has been filed and made available on the Company's website i.e; <https://udtltd.com/annualreturn/>.

22. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has formulated and implemented a comprehensive Whistle Blower Policy in accordance with the provisions of Sections 177(9) and 177(10) of the Companies Act, 2013 ("the Act") and Regulation 22 of the SEBI Listing Regulations.

The Policy provides a structured mechanism enabling Directors, employees and other stakeholders to raise concerns, in good faith, regarding actual or suspected fraud, misconduct, unethical practices, violations of applicable laws, or other concerns relating to the Company's operations. The mechanism facilitates direct communication of such concerns to the Audit Committee, as appropriate, while maintaining confidentiality to the extent practicable.

The Company is committed to ensuring that persons who raise genuine concerns through the mechanism are protected against any form of victimisation, retaliation or adverse action. The Policy is intended to foster a culture of transparency, integrity and accountability across the organisation.

The Whistle Blower Policy is available on the Company's website under the Policies section and may be accessed at <https://udtltd.com/policies/>.

23. CYBER SECURITY

In view of the evolving cyber threat landscape and the increasing incidence of cyber-attacks, the Company continues to place strong emphasis on cyber security, data protection and resilience. The Company periodically reviews its cyber security maturity and continuously strengthens its processes, systems and technological controls to address emerging threats and enhance the overall security posture.

The Company's technology infrastructure is supported by real-time security monitoring and a multi-layered control framework covering critical areas including end-user devices, networks, applications and data protection. These measures are designed to strengthen the Company's ability to identify,

monitor and respond to potential cyber security risks in a timely manner.

During the year under review, the Company did not experience any material cyber security incident, breach or loss of data. The Company remains committed to continuously enhancing its cyber security framework and adopting appropriate measures to safeguard its information assets and business operations against evolving cyber risks.

24. PROHIBITION OF INSIDER TRADING

In accordance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time ("PIT Regulations"), the Company has adopted and implemented a revised "Code of Conduct to Regulate, Monitor and Report Trading by Insiders" ("Code").

The Code is applicable to all Directors, Designated Persons and Connected Persons of the Company, as well as their respective Immediate Relatives, who may have access to Unpublished Price Sensitive Information ("UPSI") relating to the Company. The Code establishes appropriate procedures and controls to regulate, monitor and report trading in the Company's securities and to ensure compliance with the applicable insider trading requirements.

In compliance with the PIT Regulations and the applicable circulars and guidelines issued by the SEBI and the Stock Exchanges from time to time, the Company has implemented a Structured Digital Database ("SDD") system for maintaining and monitoring records relating to the sharing and access of UPSI. The Company has duly captured the requisite information relating to UPSI in the SDD in accordance with the applicable regulatory requirements.

The Company has also formulated and implemented a "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" in accordance with the PIT Regulations. The Code is intended to promote fair, transparent and timely disclosure of UPSI and ensure equitable treatment of all stakeholders.

The aforesaid Codes are available on the website of the Company i.e; <https://udtltd.com/code-of-conduct/>.

25. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

The particulars of loans given, investments made, guarantees provided and securities furnished by the Company during the year under review, together with the purpose for which such loans, guarantees or securities were proposed to be utilised by the respective recipients, are disclosed in the Standalone Financial Statements forming part of this Annual Report.

Members are requested to refer to the relevant Notes to the Standalone Financial Statements for detailed information in this regard.

26. DIRECTORS AND KEY MANAGERIAL PERSONNEL

26.1 Board of Directors

As at March 31, 2026, the Board of Directors of the Company comprised seven Directors, consisting of two Executive Directors, four Independent Non-Executive Directors, and one Non-Independent Non-Executive Director, in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations. The composition of the Board provides an appropriate balance between Executive and Non-Executive Directors and supports effective governance and oversight.

Subsequent to the close of the financial year, there has been one change in the composition of the Board. Mr. Pandian Kalyanasundaram (DIN: 02568099) ceased to be a Non-Executive Independent Director of the Company upon completion of his tenure with effect from May 20, 2026.

The Board places on record its appreciation for the valuable guidance and contribution made by Mr. Pandian Kalyanasundaram during his tenure as an Independent Director.

The composition of the Board of Directors at the end of FY26 was as under:-

Mr. Pramod Kumar Gupta	: Chairman-cum-Non-Executive Director
Mr. Kanak Gupta	: Managing Director
Mr. Inderpal Sharma	: Executive Director
Mrs. Preet Verma	: Independent Women Director
Mr. Pandian Kalyanasundaram	: Independent Director
Mr. Ved Prakash Mahawar	: Independent Director
Mr. Khitish Kumar Nayak	: Independent Director

Furthermore, pursuant to Section 152 of the Companies Act and the Articles of Association of the Company, Shri Inderpal Sharma (DIN – 07649251) Director, is due to retire by rotation at the upcoming Annual General Meeting. Shri Inderpal Sharma is eligible for re-appointment and has offered himself for re-election at the said Annual General Meeting. His reappointment is subject to the approval of the members and is detailed in the notice of the 44th AGM. Relevant information concerning the Director's reappointment, as required under Para 1.2.5 of the Secretarial Standards on General Meetings and Regulation 36(3) of the Listing Regulations, has been provided in the AGM notice.

26.2 Declaration from Independent Directors

Your Company has received declarations from all the Independent Directors of your Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)

(b) of the SEBI Listing Regulations and there has been status as an Independent Director during the FY 2025-26. The Independent Directors have also given declaration of compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to their name appearing in the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

All Independent Directors of the Company have affirmed compliance with the Schedule IV of the Act and Company's Code of Conduct for Directors and Employees for the FY 2025-26.

Further, all the members of Board have declared their equity shares holding as well as interest in the Company as per requirement of Companies Act, 2013 and Listing Regulations.

26.3 Board Familiarisation and Training Programme

The Company has adopted a Familiarisation Programme for Independent Directors with the objective of familiarising them with the Company's business, operations, strategies, policies, processes and other relevant aspects of its functioning. The programme is designed to enable the Independent Directors to effectively discharge their roles, responsibilities and duties.

The familiarisation programme also provides for periodic updates to the Independent Directors on significant developments, changes in the business environment, regulatory matters, business performance and other matters relevant to the Company, thereby enabling them to take informed and timely decisions in the best interests of the Company and its stakeholders.

The details of the Familiarisation Programme imparted to the Independent Directors are made available on the Company's website <https://udttd.com/policies/>.

26.4 Key Managerial Personnel

As on the date of this report, in terms of the provisions of Section 203 & 2(51) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following are the Key Managerial Personnel of the Company as on the date of report:

Mr. Kanak Gupta	: Managing Director
Mr. Inderpal Sharma	: Executive Director
Mr. Manoj Kumar Arora	: Chief Financial Officer
Mr. Anand Kumar Mishra	: Company Secretary & Compliance Officer

The remuneration and other details of these KMPs for the FY26 are provided in the Corporate Governance Report which forms part of this report.

26.5 Committees of the Board & their Meetings

As on March 31, 2026, in compliance with applicable laws, rules and regulations, as also for other purposes, your Board has constituted the following committees / subcommittees:-

- Audit Committee
- Nomination and Remuneration Committee (NRC)
- Stakeholders Relationship Committee (SRC)
- Corporate Social Responsibility Committee (CSR)
- Risk Management Committee (RMC)

The composition of the Committee(s) of the Board was in conformity with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, 2015. The details regarding the composition of the Committees and the meetings held during FY 2025-26 are provided in the Corporate Governance Report, which forms an integral part of this Report.

26.6 Meetings of Board of Directors

During the year under review, the Board of Directors met four (4) times. The gap between any two consecutive Board Meetings did not exceed 120 days. The meetings of the Board of Directors were held on May 29, 2025, August 12, 2025, November 12, 2025 and February 14, 2026.

The composition of the Board of Directors during the financial year ended March 31, 2026 was in conformity with the applicable provisions of Regulation 17 of the SEBI Listing Regulations, 2015 read with Section 149 of the Companies Act, 2013.

The Board Meetings were convened and conducted in compliance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI). The details regarding the attendance of Directors at the Board Meetings and other relevant particulars for FY 2025-26 are provided in the Corporate Governance Report, which forms an integral part of this Report.

26.7 Meetings of Independent Directors

In accordance with Section 149(8) read with Schedule IV and other applicable provisions of the Companies Act, 2013, as well as Regulation 25(3) of the SEBI Listing Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on February 14, 2026.

The meeting was attended by Mrs. Preet Verma, Mr. Pandian Kalyanasundaram, Mr. Khitish Kumar Nayak and Mr. Ved Prakash Mahawar, Independent Directors of the Company. The meeting was conducted in the absence of the Non-Independent Directors, Executive Directors and members of the management, inter alia, to:

- Review the performance of Non-Independent Directors, the Board as a whole and that of its various Committees constituted;
- Review the performance of the Chairperson of the Company, taking into account the views of Executive Director/s and Non-Executive Director/s; and
- Assess the quality, content and timeliness of flow of information between the Company Management and the Board which is necessary for the Board to effectively and reasonably perform its duties.

26.8 Performance Evaluation of Board and Effectiveness

Pursuant to the applicable provisions of the Companies Act, 2013 ("Act"), the SEBI Listing Regulations and the Guidance Note on Board Evaluation issued by SEBI, the Board of Directors carried out an annual performance evaluation of the Board as a whole, its Committees and individual Directors at its meeting held on February 14, 2026. The evaluation was conducted on the basis of a structured questionnaire covering various aspects of the Board's functioning, effectiveness and performance.

During FY 2025-26, all the Independent Directors participated in the evaluation process and expressed their satisfaction with regard to the integrity, expertise, experience and proficiency of the Independent Directors. The Nomination and Remuneration Committee has laid down the evaluation criteria for assessing the performance of individual Directors, the Board as a whole and its Committees.

The evaluation process reaffirmed that the Board as a whole, its Chairperson, individual Directors and the Committees of the Board continued to demonstrate a strong commitment to good corporate governance. The Board and its Committees remained focused on the continuous improvement of processes and procedures and contributed effectively towards the overall growth and development of the Company.

27. DIRECTORS' APPOINTMENT AND REMUNERATION POLICY:

On the recommendation of the Nomination and Remuneration Committee ("NRC"), the Company has formulated and adopted a Nomination and Remuneration Policy in accordance with the provisions of Section 178 of the Companies Act, 2013 ("the Act") and the applicable regulatory requirements.

The Policy lays down the broad principles and criteria governing the appointment, cessation, remuneration and performance evaluation of Directors, Key Managerial Personnel ("KMP") and Senior Management Personnel of the Company. It is designed to ensure that the Company's remuneration and appointment practices remain aligned with its business objectives, governance standards and long-term interests of stakeholders.

The Non-Executive Independent Directors are paid sitting fees, within the limits prescribed under the Act, at a fixed rate for each meeting attended by them. Accordingly, such sitting fees are not directly comparable with the remuneration paid to other employees of the Company.

Except for the sitting fees payable in accordance with the applicable provisions of the Companies Act, 2013, no remuneration or perquisites were paid to the Non-Executive Independent Directors during the year under review.

Notwithstanding the foregoing, the Company has entered into a Consultancy Agreement with M/s Oil Drilling Consultancy Services, proprietor Shri Pramod Kumar Gupta, Non-Executive Non-Independent Director, pursuant to which consultancy fees are payable in accordance with the terms of the agreement and the requisite approval of the Members of the Company.

Save as aforesaid, no other service contract or arrangement has been entered into with any Non-Executive or Independent Director during the year under review.

The Nomination & Remuneration Policy of the Company is available on the website of the Company i.e; <https://udttd.com/policies/>.

28. SECRETARIAL STANDARDS AND INDIAN ACCOUNTING STANDARDS

The Board of Directors affirms that the Company has complied, in all material respects, with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India, including SS-1 on Meetings of the Board of Directors and SS-2 on General Meetings, as applicable during the year under review.

The Company has also complied with the applicable Indian Accounting Standards (Ind AS) while preparing its financial statements for the financial year under review.

29. GREEN INITIATIVE & ELECTRONIC DISPATCH OF ANNUAL REPORT

The Ministry of Corporate Affairs ("MCA"), Government of India, has introduced the "Green Initiative in Corporate Governance" vide Circular Nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011, enabling companies to provide statutory documents, including notices of Annual General Meetings ("AGM") / Extra-ordinary General Meetings, audited financial statements and Directors' Reports, in electronic form to shareholders at their email addresses registered with their Depository Participants ("DPs").

Further, pursuant to the applicable General Circulars issued by the MCA from time to time, including General Circular No. 20/2020 dated May 5, 2020, read with subsequent circulars, the latest being General Circular No. 03/2025 dated September 22, 2025 (collectively, the "MCA Circulars"), companies have been permitted to convene AGMs through

Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM"), without the physical presence of Members at a common venue.

In accordance with the MCA Circulars and the applicable circulars issued by the Securities and Exchange Board of India ("SEBI"), the AGM of the Company is being convened through VC/OAVM, without the physical presence of Members at a common venue. The Registered Office of the Company shall be deemed to be the venue of the AGM for the purpose of the meeting.

In keeping with the spirit of the Green Initiative and in compliance with the applicable regulatory requirements, the Notice of the AGM, together with the Annual Accounts and Annual Report for FY 2025-26, is being sent ONLY through electronic mode to those Members whose email addresses are registered with the Company, Registrar and Transfer Agent ("RTA"), Depositories or Depository Participants, as applicable.

Members who have not registered their email addresses with the Company/RTA/Depositories/Depository Participants will be sent a communication by the Company containing the web-link and the exact path/location through which the complete Annual Report, including the Notice of the AGM and other relevant documents, can be accessed electronically.

The Notice of the AGM and Annual Report for FY 2025-26 are also available on the Company's website at www.udttd.com and on the websites of the Stock Exchanges, namely BSE Limited and National Stock Exchange of India Limited.

30. RISK MANAGEMENT

Risk management forms an integral part of the Company's corporate governance framework. The Board of Directors has constituted a Risk Management Committee ("RMC") to assist in overseeing the Company's risk management framework, evaluating key risks, monitoring mitigation measures and carrying out such other functions as may be entrusted by the Board.

The Company's risk management framework provides a structured approach for the identification, assessment, prioritisation, mitigation and monitoring of material risks that may affect its strategic objectives, reputation, business continuity, operations, regulatory compliance, environment, and the health and safety of its employees.

The Company has formulated and adopted a Risk Management Policy in accordance with Section 134(3)(n) of the Companies Act, 2013 and Regulation 17(9) of the SEBI Listing Regulations. The Policy is available on the Company's website at <https://udttd.com/policies/>.

As part of its risk mitigation strategy, the Company continues to focus on diversifying its product portfolio,

services, markets and customer base. Within the Industrial & Engineering segment, the Company is also taking steps to reduce dependence on contract manufacturing by expanding its own product portfolio and strengthening its brand presence.

A detailed discussion on the Company's key risks, opportunities and mitigation measures is provided in the Management Discussion and Analysis Report, forming an integral part of this Annual Report.

31. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, your Board, to the best of their knowledge and based on the information and explanations received from the management of your Company, confirm that:

- In the preparation of the Annual Financial Statements for the year ended March 31, 2026, the applicable accounting standards have been followed and there are no material departures;
- such accounting policies applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year March 31, 2026 and of the profit of UDTL for the year ended on that period;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the annual financial Statement for FY 2025-26 were prepared on a Going Concern basis;
- they have laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and operating effectively;
- devised the proper system to ensure compliance with the provisions of all applicable laws and that such and were adequate and operating effectively.

32. PREVENTION OF SEXUAL HARASSMENT

The Company has adopted a comprehensive Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and the rules made thereunder.

An Internal Committee has been constituted in accordance with the applicable provisions of the POSH Act to receive, examine and address complaints relating to sexual harassment at the workplace. The Company also conducts

appropriate orientation and awareness sessions on its POSH Policy for new employees as part of the induction process.

The Company is committed to fostering a safe, inclusive and respectful workplace where every employee is treated with dignity, fairness and respect, without discrimination on the basis of gender, race, social status, caste, creed, religion, place of origin, sexual orientation, disability or economic status.

The POSH Policy is applicable to all employees of the Company, and the Company remains committed to maintaining a workplace free from sexual harassment and ensuring appropriate redressal of any genuine concerns in accordance with applicable law.

The details of complaints received and disposed-off during the FY26 is as follows:

Sr. No.	Particulars	Status
1.	Number of Sexual Harassment Complaints received	0
2.	Number of Sexual Harassment Complaints disposed off	0
3.	Number of Sexual Harassment Complaints pending beyond 90 days	0

33. OTHER STATUTORY DISCLOSURE

During the FY 2025-26, there were no transaction requiring disclosure or reporting in respect of matters relating to:

- No material changes and commitment, affecting the financial position of the Company which occurred between the end of FY26 till the date of this Report.
- No instance of any one-time settlement with any Banks or Financial Institutions.
- No application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- No significant and material orders passed by the Regulators/ Courts/Tribunals which impact the going concern status and Company's operations in future.
- UDTL has not issued any Equity Shares including with Differential Voting Rights / Sweat Equity Shares.
- No occasion for revision in the Financial Statements for the year under report.
- No change in the nature of business of UDTL as on the date of this Report.
- No remuneration or commission to the Whole-time Director/ Managing Director of the Company from the subsidiaries of the Company.

- None of the Independent / Non- Executive Directors have any pecuniary relationship or transactions with the Company which in the judgement of the Board may affect the independence of the Directors.
- No transfer any amount to General Reserves of the Company, due to enhancing shareholders value.
- The Company has duly complied with the provisions of the Maternity Benefit Act, 1961, extending all statutory benefits to eligible women employees.

34. CAUTIONARY STATEMENT

UDTL is engaged in the manufacture of oil drilling tools and equipment, which are primarily used in the oil and gas industry. Accordingly, the Company's business prospects and performance are, inter alia, dependent upon developments in the domestic and global oil and gas sector.

Certain statements contained in the Directors' Report, Business Responsibility and Sustainability Report, Management Discussion and Analysis Report, Standalone and Consolidated Financial Statements, and the annexures thereto, including statements relating to future plans, projections, estimates, expectations and anticipated performance, may constitute "forward-looking statements" within the meaning of applicable laws and regulations, including the regulations issued by the Securities and Exchange Board of India ("SEBI").

Such forward-looking statements are based on the Company's present expectations, estimates, assumptions and projections and are subject to various risks, uncertainties and other factors, many of which are beyond the Company's control. Accordingly, actual results, performance or achievements may differ materially from those expressed or implied in such statements.

Factors that may cause actual results to differ materially include, inter alia, changes in domestic and global demand and supply conditions; volatility in finished product prices;

availability and cost of raw materials; cyclical fluctuations in demand and pricing in the Company's principal markets; changes in governmental policies, laws and regulations; changes in taxation regimes; macroeconomic and business conditions in India and other jurisdictions in which the Company operates; litigation and labour-related matters; and other economic, commercial, regulatory or operational risks.

The Company does not undertake any obligation to publicly update, revise, amend or otherwise modify any forward-looking statement to reflect subsequent events, developments, information or circumstances, except to the extent required under applicable laws and regulations. Readers are accordingly cautioned not to place undue reliance on such forward-looking statements.

35. ACKNOWLEDGEMENTS

The Board of Directors places on record its sincere appreciation to the Members, bankers and financial institutions for their continued confidence, cooperation and support, and looks forward to their sustained association with the Company.

The Board also acknowledges with gratitude the trust and cooperation extended by the Company's customers, vendors, business partners and other stakeholders during the year under review.

The Directors further place on record their appreciation for the dedication, commitment and valuable contribution of the employees at all levels, whose continued efforts have been instrumental in supporting the Company's performance and progress.

For and on behalf of Board of
United Drilling Tools Limited

Sd/-
Pramod Kumar Gupta
 Chairman
 DIN: 00619482

Date: 10/08/2026
 Place: Noida

"Annexure-1"**FORM NO. AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

(Information in respect of each subsidiary to be presented with amounts in Rupees in Lakhs)

1. CIN of Subsidiary Company	: U29220DL2008PTC181042
2. Name of the Subsidiary	: M/s P Mittal Manufacturing Pvt. Ltd.
3. The date since when subsidiary was acquired	: 28.06.2021
4. Provisions pursuant to which the company has become subsidiary (Section 2(87)(i) /Section 2(87)(ii)	: Section 2(87)(ii)
5. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	: No
6. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	: INR
7. Share Capital	: ₹59.32 Lakhs
8. Reserves & Surplus / Other Equity	: ₹196.60 Lakhs
9. Total Assets	: ₹2,401.29 Lakhs
10. Total Liabilities	: ₹2,401.29 Lakhs
11. Investment	: NIL
12. Turnover	: ₹789.70 Lakhs
13. Profit/ (Loss) before taxation	: ₹25.86 Lakhs
14. Provision for taxation	: ₹4.77 Lakhs
15. Profit/ (Loss) after taxation	: ₹21.09 Lakhs
16. Proposed Dividend	: NIL
17. % of shareholding	: 100%

Additional information:

1. Names of subsidiaries or associates which are yet to commence operations:	Nil
2. Names of subsidiaries which have been liquidated or sold during the year:	Nil
3. Performance of step down subsidiaries:	N.A.

For and on behalf of Board of
United Drilling Tools LimitedSd/-
Manoj Kumar Arora
Chief Financial OfficerSd/-
Anand Kumar Mishra
Company SecretarySd/-
Pramod Kumar Gupta
ChairmanDate: 10/08/2026
Place: Noida

"Annexure-2"**Form No. MR-3**
SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2026 [Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
United Drilling Tools Limited
(CIN: L29199DL1985PLC015796)

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good Corporate Practices by UNITED DRILLING TOOLS LIMITED, a company registered under the Companies Act, 1956, having its Registered Office at 139A, First Floor, Antriksh Bhawan, 22, Kasturba Gandhi Marg, New Delhi -110001 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my examination and verification of the Company's secretarial books, papers, minute books, forms and returns filed and other registers and records as maintained by the Company under Companies Act, 2013 and Securities Laws as applicable to the Company and also the information(s) and explanation(s) provided to me by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31st 2026 has generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on March 31st 2026 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) Securities Contract (Regulation) Act, 1956('SCRA') and the rules made thereunder;
- (iii) Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India (SEBI) Act, 1992 ('SEBI ACT');
 - a) The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - c) The SEBI (Prohibition of Insider Trading) Regulations, 2015
 - d) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable during the financial year under review)
 - e) The SEBI (Issue and listing of Debt Securities) Regulations, 2008 (Not applicable as the Company has not issued and listed any debt securities during the financial year under review);
 - f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares Regulations, 2013; (Not applicable during the financial year ended 31st March, 2026)
 - g) The SEBI (Buyback of Securities) Regulations, 1998 (Not applicable as the Company has not bought back/ proposed to buyback any of its securities during the period under review)
 - h) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable during the financial year ended 31st March, 2026).
 - i) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable during the financial year ended 31st March, 2026.)
 - j) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

- k) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 Not applicable during the financial year ended 31st March, 2026).

Other Sector Specific Laws specifically applicable to the Company

The Compliances/processes/systems were verified on test check basis under following applicable Labour Laws from the documents/returns/information(s) as produced before me such as:

- Employees' Provident Fund and Miscellaneous Provisions Act, 1952;
- Employees' State Insurance Act, 1948;
- Minimum Wages Act, 1948 read with rules made thereunder;
- Payment of Wages Act, 1936 and rules made thereunder;
- Equal Remuneration Act, 1976;
- Payment of Gratuity Act, 1972, and rules made thereunder;
- Payment of Bonus Act, 1965 read with Payment of Bonus Rules, 1975;
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- National Holiday Act and National Holiday Rules, 1965;
- Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959;
- Workmen's Compensation Act, 1923 read with Employees Compensation Rules, 1924;
- Factories Act, 1948;
- The Maternity Benefits Act, 1961 and the Rules made thereunder;
- Industrial Disputes Act, 1947;
- The Industrial Employment (Standing Orders) Act, 1946;
- Motor Vehicles Act, 1988
- The Public Liability Insurance Act, 1991
- The Contract Labour (Regulation And Abolition) Act, 1970

Environmental Laws such as:

- The Water (Prevention and Control of Pollution) Act, 1974, read with the Water (Prevention and Control of Pollution) Rules, 1975;
- Air (Prevention and Control of Pollution) Act, 1981 read with U.P. Rules;
- Environment Protection Act, 1986 read with Environment Protection Rules;
- Noise Pollution (Control and Regulation) Rules, 1999
- The Uttar Pradesh Fire Prevention And Fire Safety Act, 2005
- Special Economic Zones Act, 2005 and the Rules made thereunder;

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards including revised one as effective from 1st April, 2024, with respect to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) as issued by the Institute of Company Secretaries of India (ICSI);
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per the information(s) furnished and explanation(s) as provided by the Company, its officers, agents and authorized representatives, there were no other sector specific laws applicable to the Company or on its type of Industry except as mentioned above for the financial year ended March 31, 2026.

I report that, I have checked the Compliance Management System of the Company on the basis of Compliance Certificates issued by the Board of Directors of the Company and Senior Management of the Company so as to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of applicable Laws, Rules, Regulations and Guidelines and its verification was done on test check basis. However, I have not made a detailed examination of the said records. I believe that the audit evidence which have been obtained is sufficient and appropriate to provide a reasonable basis for my audit. In my opinion and to the best of my information and according to explanations given to me, I believe that there are adequate systems and processes in the Company commensurate with

the size and operations of the Company and the nature of its business to monitor and ensure compliance of laws specifically applicable to the Company, including other applicable general laws like labour laws and environmental laws applicable to the Company, although it requires further strengthening, regularity and probity.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above. I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act except that 4 (four) e-forms were filed with the concerned Registrar of Companies beyond the statutory time period as stipulated under the Companies Act, 2013 after payment of the requisite additional fees.

There are adequate systems and processes to ensure compliance with applicable Laws, Rules, Regulations and Guidelines particularly for labour laws and environmental laws except for non-compliances / omissions in the Payment of Wages Act, Payment of Gratuity Act, 1972, Contract Labour Act, Environmental Laws and rules as applicable to the Company as prima facie the records have been made and maintained by the Company. However I have not made a detailed examination of the same with the view to determine whether they are accurate or complete.

I further report that the compliance by the Company of applicable financial laws, Direct and Indirect Tax Laws has not been reviewed; since the same have been reviewed by Statutory Auditors and other designated professionals and I have relied upon the same.

Adequate notices were given to all the Independent Directors by registered courier/email to schedule the Board Meetings and its Committees Meetings. Notice along with Agenda were sent at least seven days in advance and as system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. The Board decisions were carried out with requisite consent as no dissenting views were mentioned/found as part of the minutes.

For **Balraj Sharma & Associates**
Company Secretaries

Sd/-

Varun Sharma
(Partner)

ACS No.: 21011

C P No.: 26768

UDIN: A021011H00968947

PR Certificate: 6262/2024

Date: 03.08.2026

Place: New Delhi

Note: This report is to be read with my letter of even date which is annexed as Annexure-A and forms an integral part of this report.

"Annexure-A" of Annexure -2

To,
The members
United Drilling Tools Limited
(CIN: L29199DL1985PLC015796)

My report of even date is to be read along with this letter

1. Maintenance of Secretarial Records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial Records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion. Further the verification was done on the basis of data provided to me by the Company on test check basis to ensure that correct facts are reflected in secretarial and other records produced to me.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management Representation about compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test check basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Balraj Sharma & Associates**
Company Secretaries

Sd/-
Varun Sharma
(Partner)

ACS No.:21011

C P No.: 26768

UDIN: A021011H00968947

PR Certificate: 6262/2024

Date: 03.08.2026
Place: New Delhi

"Annexure-3"**COMPLIANCE CERTIFICATE**
(Pursuant to regulation 17(8) of Listing Regulations)

To
The Board of Directors,
United Drilling Tools Limited

In compliance with Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby certify that, we have reviewed financial statements (Standalone & Consolidated) and the cash flow statement (Standalone & Consolidated) for the financial year 2025-26 and that to the best of their knowledge and belief:

- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have not observed any deficiencies in the design or operation of such internal controls.

We have indicated to the auditors and the Audit committee that there are:

- No significant changes in internal control over financial reporting during the year;
- No significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- No instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **United Drilling Tools Limited**

For **United Drilling Tools Limited**

Date: 21.05.2026
Place: Noida

Sd/-
Pramod Kumar Gupta
Chairman
DIN:- 00619482

Sd/-
Manoj Kumar Arora
Chief Financial Officer

"Annexure-4"**COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL
WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct applicable to all employees, including the Managing Director and Executive Directors. The Company has also adopted a separate Code of Conduct for Non-Executive Directors, including the Code of Conduct applicable to Independent Directors. The said Codes are available on the Company's website i.e; www.udtltd.com.

I hereby confirm that, for the financial year ended March 31, 2026, the Company has received declarations from all Members of the Board of Directors and Senior Management Personnel affirming their compliance with the applicable provisions of the respective Code of Conduct.

For and on behalf of Board of
United Drilling Tools Limited

Date: 10/08/2026
Place: Noida

Sd/-
Pramod Kumar Gupta
Chairman
DIN: 00619482

"Annexure-5"
CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,
 The Members of
United Drilling Tools Limited
 (CIN:L29199DL1985PLC015796)
 139A, First Floor, Antriksh Bhawan,
 22, Kasturba Gandhi Marg, New Delhi -110001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of United Drilling Tools Limited, having CIN L29199DL1985PLC015796 and having registered office at 139A, First Floor, Antriksh Bhawan, 22, Kasturba Gandhi Marg, New Delhi -110001 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, New Delhi or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company	Designation
1.	Mr. Pramod Kumar Gupta	00619482	21/08/1985	Director
2.	Mr. Khitish Kumar Nayak	02155949	12/08/2025	Independent Director
3.	Mr. Kanal Gupta	01050505	28/02/2015	Managing Director
4.	Mr. Ved Prakash Mahawar	07208090	25/06/2021	Independent Director
5.	Mr. Inderpal Sharma	07649251	10/11/2016	Whole-time Director
6.	Mrs. Preet Verma	09124335	25/06/2021	Independent Director
7.	Mr. Pandian Kalyanasundaram	02568099	21/05/2016	Independent Director

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Balraj Sharma & Associates**
 Company Secretaries
 Firm's UIN P2023DE097700

Sd/-

Varun Sharma
 (Partner)

M. No – A- 21011

UDIN: A021011H000969068

Date: 03.08.2026

Place: New Delhi

"Annexure-6"**ANNUAL REPORT ON CSR ACTIVITIES****1. Brief Outline of the CSR Policy of the Company:**

Guided by its purpose of "Enhancing quality of life and contributing to a healthier future," the Company remains committed to understanding and addressing the needs of the communities in which it operates. Through its initiatives, the Company seeks to create a meaningful and positive impact while generating sustainable value for society. Its CSR efforts are centred around three key objectives: promoting healthier and happier lives for individuals and families, supporting the development of strong, inclusive, and resilient communities, and responsibly managing the planet's natural resources for the benefit of future generations. These efforts are underpinned by a strong framework of principles and values founded on respect.

The Company recognises that meaningful and lasting social impact is best achieved through collaboration and partnerships. Accordingly, it continues to engage with various stakeholders, including specialised NGOs, civil society organisations, and expert institutions. The Company undertakes CSR initiatives that are aligned with national priorities, including public health, education, livelihood enhancement, and other areas of social development. These initiatives are aligned with the activities specified under Schedule VII of the Companies Act, 2013, as detailed in the Annexure.

The Company's commitment to society is genuine, enduring, and integral to its approach to responsible business. The CSR Policy of the Company is available on its website at www.udtltd.com. While the primary focus of its CSR initiatives remains on communities in and around its operational areas, the Company also undertakes projects in locations where the need for social intervention and development is particularly significant.

2. COMPOSITION OF THE CSR COMMITTEE:

Sr. No.	Name of Director	Designation / Nature of Directorship	No. of Meetings held during tenure	No. of meetings attended
1.	Mr. Ved Prakash Mahawar	Chairman	01	01
2.	Mr. Pramod Kumar Gupta	Member	01	01
3.	Mr. Pandian Kalyanasundaram	Member	01	01
4.	Mrs. Preet Verma	Member	01	01

3. Provide the web—link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: <https://udtltd.com/policies/>.
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub—rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable.
5. (a) Average net profit of the Company as per section 135(5): ₹15,91,17,191/- (Rupees Fifteen Crore Ninety-One Lakh Seventeen Thousand One Hundred Ninety-One Only)
- (b) Two percent of average net profit of the company as per section 135(5): ₹31,82,344/- (Rupees Thirty One Lakh Eighty Two Thousand Three Hundred Forty Four Only)
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- (d) Amount required to be set-off for the financial year, if any: 20,367/- (Twenty Thousand Three Hundred Sixty Seven Only)
- (e) Total CSR obligation for the financial year (b+c-d): ₹31,61,977/- (Rupees Thirty One Lakh Sixty One Thousand Nine Hundred Seventy Seven Only)
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) – ₹31,85,747/-
- (b) Amount spent in Administrative Overheads – ₹Nil
- (c) Amount spent on Impact Assessment, if applicable: ₹Nil
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)] – ₹31,85,747/-

(e) CSR amount spent or unspent for the financial year:

Amount Unspent (in ₹) – Nil					
Total Amount Spent for the Financial Year. (in ₹)	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the fund	Amount	Date of Transfer
31,85,747/-	Nil	NA		NA	

(f) Excess amount for set-off, if any:

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	31,82,344/-
(ii)	Total amount spent for the Financial Year	31,85,747/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	3,403/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	20,367/-
(v)	Amount available for set off in succeeding financial years [(iii)+(iv)]	23,770/-

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub section (5) of section		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	2022-23		NA		31,93,865	21/09/2023	-	-
2	2023-24		NA		-	-	-	-
3	2024-25		NA		-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135 – Not applicable

For and on behalf of Board of
United Drilling Tools Limited

Sd/-
Pramod Kumar Gupta
 Chairman
 DIN:- 00619482

Date: 10.08.2026
 Place: Noida

For and on behalf of Board of
United Drilling Tools Limited

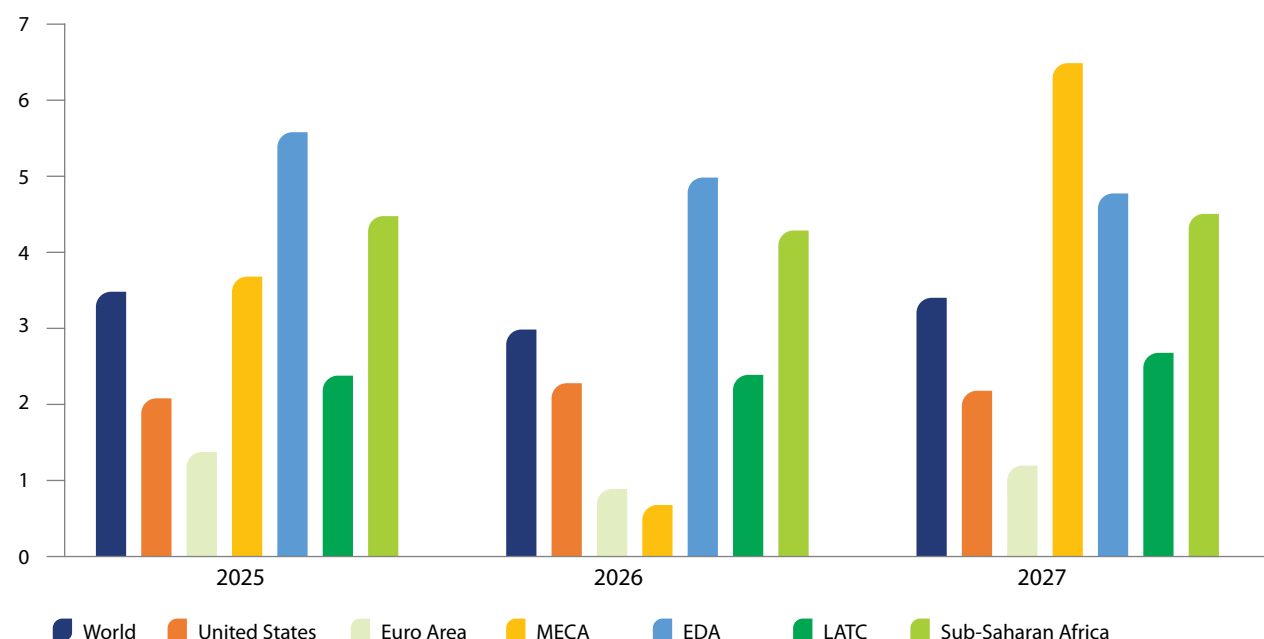
Sd/-
Ved Prakash Mahawar
 Chairman - CSR Committee
 DIN - 07208090

Management Discussion and Analysis

Global Economy Overview

The year 2026 unfolded against a global economy that entered the period on a firmer footing than many had anticipated, only to be tested in its initial months by the outbreak of geopolitical conflict in the Middle East. After absorbing successive waves of trade-policy uncertainty and higher borrowing costs over the preceding two years, world output proved notably resilient through much of 2025. The conflict, however, disrupted energy markets, firmed up inflation expectations, and prompted a wholesale re-evaluation of the interest-rate path widely expected at the start of the year. According to the International Monetary Fund (IMF), global GDP growth averaged 3.5% in 2024–25, then moderated to 3.0% in calendar 2026.

Global economic growth



(Source: <https://www.imf.org/en/publications/weo/issues/2026/07/08/world-economic-outlook-update-july-2026>) [MECA: Middle East & Central Asia | EDA: Emerging and Developing Asia | LATC: Latin America & The Caribbean]

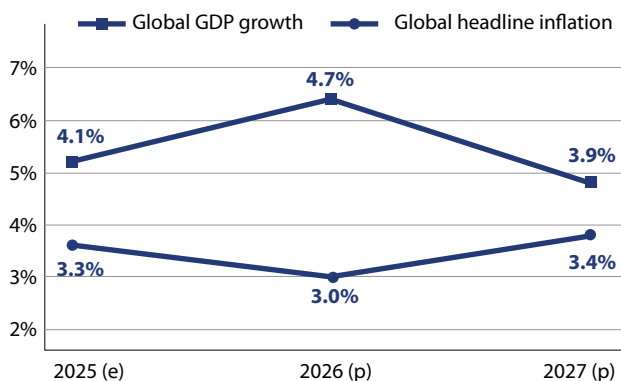
On the downside, the war in the Middle East and higher energy prices weigh most heavily on commodity importers and vulnerable emerging economies. On the upside, the technology cycle, driven by investment in and adoption of artificial intelligence (AI), is lifting economies that are well integrated into the global technology value chain.

Growth among the advanced economies remains subdued in 2026, with the United States projected at 2.3%, the euro area at 0.9%, the United Kingdom at 1.0%, Canada at 1.1%, and Japan at 0.6%. Emerging market and developing economies (EMDEs) continue to outperform, expanding by a projected 3.9%, led by China at 4.6% and by a cluster of technology-linked Asian economies. India retains its position as the fastest-growing major economy, underpinned by resilient private consumption and services activity.

¹<https://www.imf.org/en/publications/weo/issues/2026/07/08/world-economic-outlook-update-july-2026>

The most consequential shift during the year was the interruption of global disinflation. According to the IMF, the global headline inflation is expected to rise to 4.7% in 2026, up from 4.1% in 2025, before easing to 3.9% in 2027. The revision is attributed chiefly to higher energy and food costs: crude oil is assumed to average close to US\$89 a barrel in 2026, with energy prices running roughly 25% above their pre-conflict levels.

Global headline inflation



(Source: <https://www.imf.org/en/publications/weo/issues/2026/07/08/world-economic-outlook-update-july-2026>)

2026 marked a turning point for real estate, shifting from stagnation to recovery after two years of declining values. Global markets gained momentum as capital improved and development remained limited, with divergence across sectors and regions. Transaction volume reached about US\$216 billion in early 2026, up 18% year on year, led by Asia-Pacific at 31%. In the US, commercial real estate investment is expected to grow 16% to US\$562 billion, nearing pre-pandemic levels, with slight cap-rate compression. Recovery is uneven: industrial, residential, and data centres lead demand, while office and life-science sectors face challenges. India is the top investment destination; 86% of European and Asia-Pacific investors plan to invest more, followed by Canada (80%) and France (78%). Policy rate movements influence the market; rising yields after conflict slowed recovery, but the cycle remains strong and debt is available.

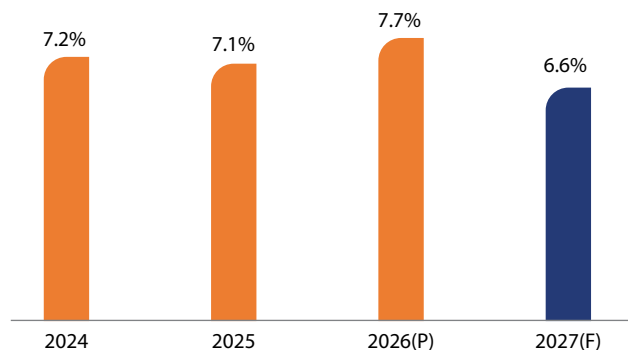
Outlook

Risks to the global outlook remain tilted to the downside. A longer or wider conflict, greater geopolitical fragmentation, disappointment over AI productivity, or trade tensions could weaken growth and shake markets, with high public debt limiting policy room. Conversely, de-escalation, faster AI gains, and disinflation could lead central banks to ease policy and boost recovery.

Indian economy overview

India retained its position as the fastest-growing major economy in FY26. As per the Provisional Estimates released by the Ministry of Statistics and Programme Implementation (MoSPI) in June 2026, the Indian economy expanded by 7.7% in real terms in FY2025-26, up from 7.1% in FY2024-25. Nominal GDP rose 8.9% to approximately ₹346.36 lakh crore. Growth momentum held firm throughout the year, with real GDP expanding 7.8% year-on-year in the fourth quarter (January–March 2026), underscoring the resilience of domestic activity amid persistent global trade uncertainty and geopolitical volatility.

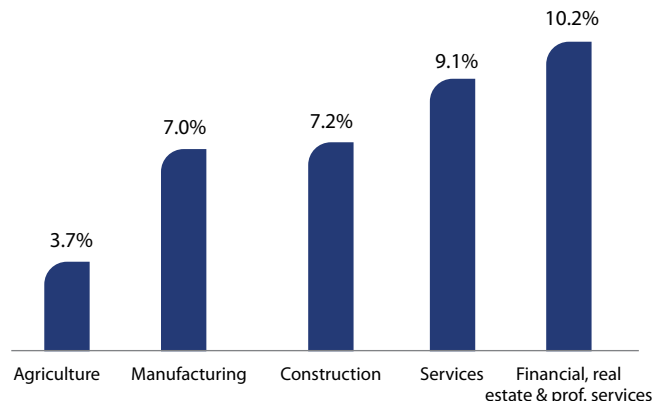
India's GDP growth trend (%)



P = Provisional Estimate; F = Forecast (avg. of RBI & World Bank). 2022-23 base series. [Source: MoSPI Provisional Estimates (FY26); RBI and World Bank (FY27 forecast)]

The expansion was broad-based across sectors. The services sector, the largest contributor to GDP, grew by an estimated 9.1% during the year, with financial services, real estate, and professional services acting as the key drivers of services-sector growth. Industrial activity remained robust, with manufacturing expanding around 7.0%, while the construction sector, a bellwether for real estate, sustained healthy momentum. Sustained private consumption and elevated government capital expenditure continued to anchor demand.

Sectoral Growth, FY26 (%)



(Source: https://www.mospi.gov.in/uploads/latestReleases/latest_release_1780655857536_5ac01869-ca4a-422d-b7a7-57b81da60932_Press_Note_on_GDP_Estimates_for_Q4_2025-26_and_PE_FY_2025-26_F.pdf)

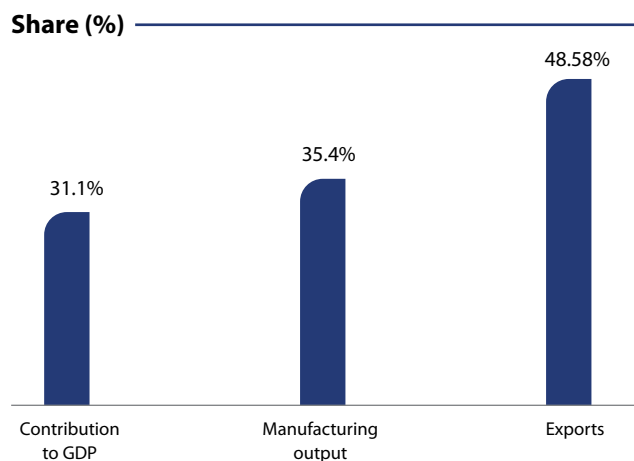
On the price front, the macro environment became benign. Headline CPI inflation averaged 1.7% from April–December, driven mainly by food-price disinflation, while core inflation stayed subdued, indicating limited demand pressures. This easing allowed the Reserve Bank of India to cut rates: a total of 125 basis points since February 2025, along with liquidity measures, improved monetary transmission. Lower borrowing costs reduced home-loan rates, boosting affordability and housing demand.

Fiscal management stayed disciplined with strong tax revenue and controlled spending, supporting capital expenditure and keeping the FY26 deficit at 4.4% of GDP. Infrastructure-led growth benefited the built environment, with the Union Budget 2026-27 increasing public capital expenditure to ₹12.20 lakh crore from ₹11.20 lakh in FY26. Reforms improved the real estate operating environment, like the National Real Estate Policy 2025's single-window clearance system and green incentives. SEBI's reforms, such as reclassifying mutual fund investments in REITs as equities from January 2026, increased transparency and investor participation.

Taken together, a fast-growing economy, moderating inflation, an accommodative interest-rate cycle, rising urbanisation and continued policy support create a constructive demand environment for real estate.

Indian MSME Sector

India's MSME sector remains key to the economy, contributing about 31.1% to GDP, 35.4% to manufacturing, and 48.58% to exports. Formalisation increased, with over 8.7 crore registrations by June 2026 and nearly 38.9 crore employed. The revised MSME classification from April 2025 allowed enterprises to scale up, supported by measures like doubled collateral-free credit limits and CGTMSE support. In real estate, MSMEs drive demand and employment, especially in Tier-II and Tier-III cities, boosting commercial, industrial, and residential sectors.



[Source: <https://www.dailyexcelsior.com/indias-msme-sector-contributes-31-1pc-to-gdp-formal-registrations-cross-8-7-cr/>]

Growing exports of the Indian economy

India's external trade hit a new high in FY 2025-26 despite uneven global conditions. Cumulative exports reached US\$ 860.09 billion, up 4.22% from FY2024-25. Services exports led growth, increasing 7.94% to US\$ 418.31 billion and boosting the trade surplus to US\$ 213.89 billion from US\$ 188.84 billion. Merchandise exports grew a modest 0.93% to US\$ 441.78 billion, with non-petroleum exports rising 3.62% to US\$ 387.88 billion. Engineering, petroleum, and minerals drove merchandise growth. Imports increased 6.47% to US\$ 979.40 billion, expanding the trade deficit to US\$ 119.30 billion and the merchandise deficit to US\$ 333.19 billion. Momentum continues into April 2026 with exports at US\$ 80.80 billion, up 13.59% from April 2025.

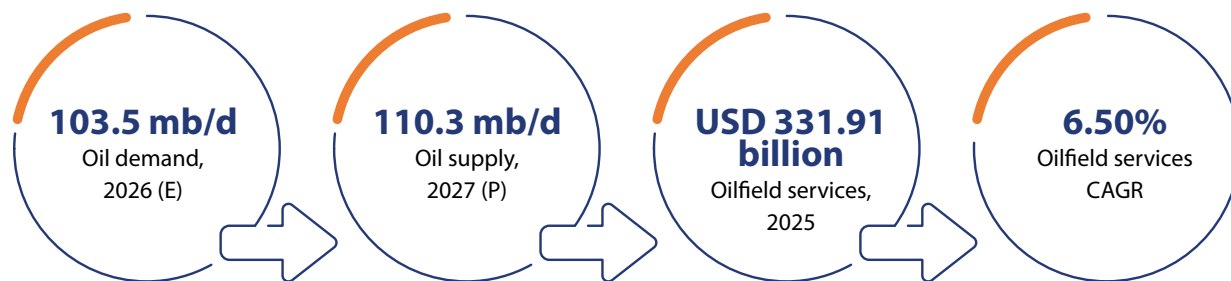
Outlook

India's medium-term growth outlook remains among the strongest of major economies. Leading agencies project real GDP growth of about 6.5-6.6% for FY2026-27, with the Reserve Bank of India and the World Bank forecasting 6.6% and the IMF around 6.5%. Despite global growth expected to slow to about 3.0% in 2026, risks mainly stem from external factors like high energy prices, geopolitical tensions, and trade policy changes. Domestically, growth stays robust due to resilient private consumption, low inflation, an accommodative interest rate cycle, government capital spending, and urbanisation. The real estate sector benefits from lower home-loan rates, urban housing demand, rising incomes, household formation, and reforms such as the National Real Estate Policy 2025's single-window clearance and SEBI's REIT reforms, supporting growth into FY2026-27.

Global oil and gas industry

The global oil and gas industry spans three linked segments: upstream exploration and production, midstream transportation and storage, and downstream refining, marketing and petrochemicals. Despite the ongoing energy transition, hydrocarbons continue to meet most global primary energy demand, and the capital committed to sustaining and replacing productive capacity remains among the largest recurring investment flows in the world economy.

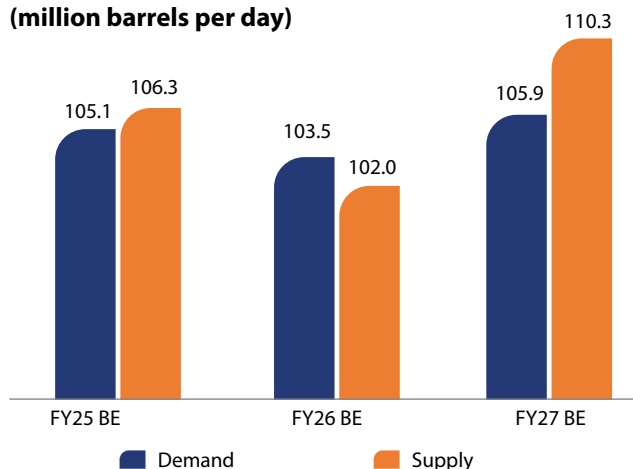
The year under review was dominated by an exceptional supply shock. Military action in the Middle East during March 2026 and the consequent closure of the Strait of Hormuz removed a substantial share of Gulf production and export capacity from the market, introducing significant uncertainty into global energy markets. Brent crude rose to approximately USD 117.3 per barrel in April 2026, global inventories were drawn down at a record pace, and refining margins in the Atlantic Basin reached historic highs as product markets tightened. Flows through the Strait began to resume from June 2026, although renewed hostilities in July and early August interrupted the recovery. For the equipment and services segment of the industry, the episode has reinforced a longer-standing conclusion: security of supply depends on sustained investment in wells, wellheads, pressure control and production infrastructure, and that investment cannot be deferred indefinitely without consequence.



E: Expected | P: Projected

The International Energy Agency estimates global oil demand at about 103.5 million barrels per day in 2026, down 1.6 million barrels per day, as the closure of the Strait and higher fuel prices weighed on consumption. Global supply is forecast to decline by 4.3 million barrels per day to about 102 million barrels per day, before rebounding by 8.3 million barrels per day to 110.3 million barrels per day in 2027, with demand expanding by 2.4 million barrels per day over the same period. Refinery crude throughputs stood at 80.9 million barrels per day in July 2026, nearly 5 million barrels per day below year-earlier levels, and are forecast to recover by 3.5 million barrels per day during 2027. Forecasts across agencies remain unusually divergent, with 2026 demand estimates ranging from 102.8 million barrels per day to 105.9 million barrels per day.

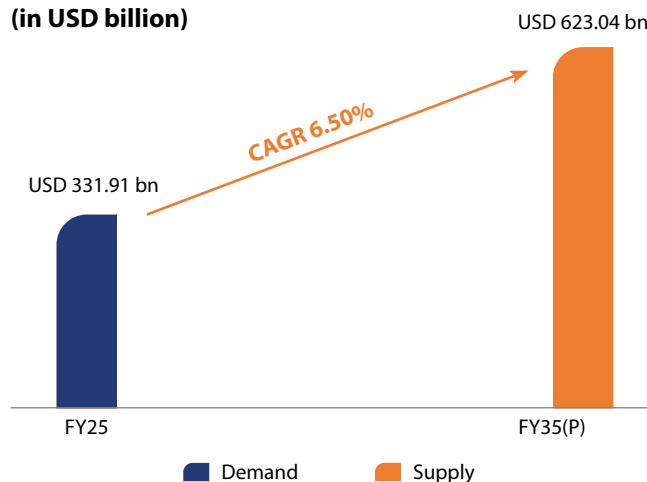
Global oil demand and supply (million barrels per day)



(Source: International Energy Agency, Oil Market Report, August 2026.
<https://www.iea.org/reports/oil-market-report-august-2026>)

For companies serving the upstream value chain, the more directly relevant measure is the oilfield services market, valued at USD 331.91 billion in 2025 and projected to reach USD 623.04 billion by 2035, a compound annual growth rate of 6.50%.

Global oilfield service market size (in USD billion)



(Source: <https://www.expertmarketresearch.com/reports/oilfield-services-market>) [P: Projected]

Growth drivers

- I. **Restoration of disrupted capacity:** The projected 8.3 million barrel per day recovery in supply during 2027 requires extensive re-drilling, workover and re-completion activity, together with the replacement of wellhead assemblies, valves and pressure control equipment across affected fields.
- II. **Energy security as an investment driver:** The disruption has strengthened the policy case in importing nations for domestic exploration and production, diversification of supply sources and strategic reserve capacity, each of which translates into drilling and completion demand.
- III. **Deepwater and frontier basin activity:** Operators are re-examining high-impact exploration after several years of capital discipline, encouraged by success in emerging basins such as Guyana and Namibia, and supporting demand for higher-specification equipment.

- IV. **Natural gas and liquefied natural gas:** Gas retains a central role in the transition fuel mix, sustaining investment in drilling, gathering, and processing across established and new producing regions.
- V. **Replacement and maintenance cycles:** A substantial share of demand for wellheads, gas lift equipment, and well service tools comes from maintaining producing wells rather than new drilling, providing some insulation from exploration cycles.
- VI. **Technology adoption:** Autonomous drilling systems, digital reservoir characterisation and data-led asset management are raising equipment specifications and favouring suppliers able to meet international standards.

Outlook

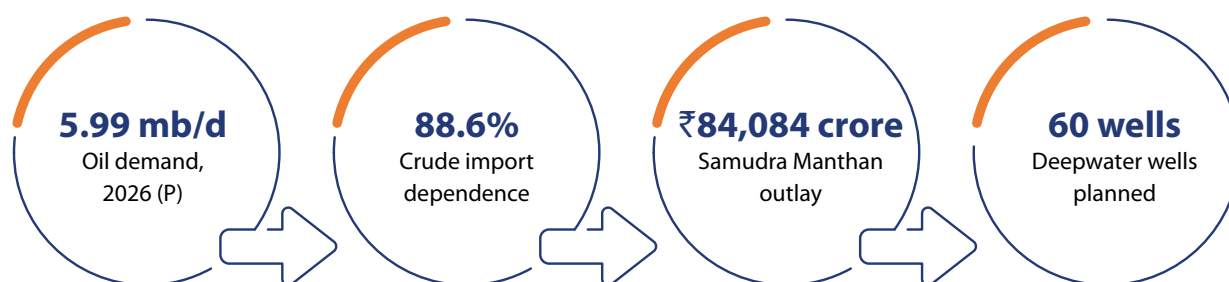
The near-term outlook mainly depends on how quickly and sustainably Gulf normalization occurs. If transit through the Strait continues, both demand and supply are expected to rebound strongly in 2027, with supply reaching 110.3 million barrels per day and demand around 105.9 million barrels per day. This recovery will likely be accompanied by extensive well restoration, capacity rebuilding, and equipment replacement efforts, positioning the oilfield equipment and services sector to benefit. Key risks include potential renewed hostilities, price fluctuations around any de-escalation, and the possibility that operators

delay sanctioning decisions until there is clearer visibility. In the medium term, ongoing natural field declines, energy security concerns, and the expected growth of the oilfield services market to USD 623.04 billion by 2035 support a positive outlook for drilling, completion, and pressure control equipment demand.

Indian Oil and Gas Industry

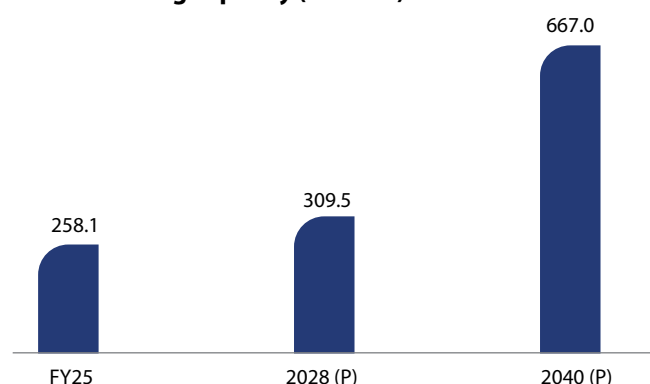
India is the world's third-largest consumer of oil and the fourth-largest refining hub, and is expected to account for a substantial share of incremental global oil demand over the coming decade. The sector spans upstream exploration and production, led by Oil and Natural Gas Corporation Limited, Oil India Limited, and private operators; midstream transportation; and a large downstream refining and marketing segment.

The sector's defining structural feature is import dependence. Domestic crude production met 11.4% of petroleum product consumption during April to January of FY 2025-26, implying import dependence of 88.6%, up from 88.3% for the whole of FY 2024-25. The West Asia crisis exposed the consequences of that dependence directly: crude and gas import reliance touched record levels of 89.4% and 50.6%, respectively; liquefied natural gas deliveries fell by around 10%; and the Government responded by prioritising gas allocation, expanding strategic reserves, and augmenting regasification capacity. Refining nonetheless proved resilient, with petroleum consumption growing 2.7% year on year in the fourth quarter of FY 2025-26.



P: Projected

India's refining capacity (MMTPA)



P: Projected

(Source: <https://www.ibef.org/industry/oil-gas-india>)

Growth Drivers

Samudra Manthan: The National Offshore Exploration Scheme, approved with an outlay of ₹84,084 crore to FY 2030-31, is the single most significant development for the domestic upstream equipment industry. It provides ₹43,200 crore for 60 deepwater exploration wells, with Government support of up to 50% of eligible drilling cost or ₹675 crore per well, whichever is lower, alongside ₹2,000 crore for Oil and Gas Manufacturing and Services Zones aimed specifically at localising critical equipment and services.

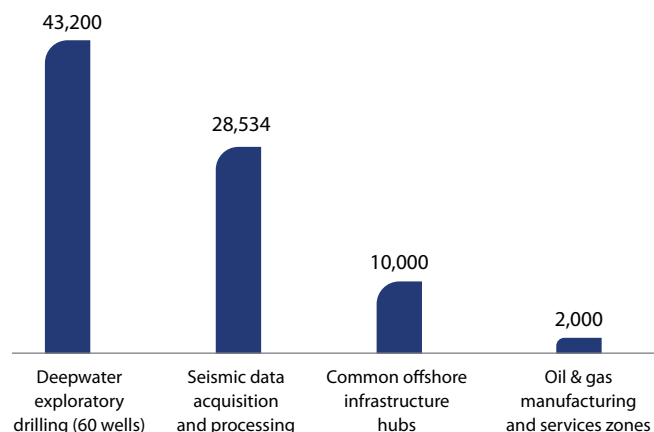
Rising drilling intensity: Oil India Limited plans to raise drilling activity to 100 wells annually in FY 2026-27 from 74 wells in FY 2025-26, an increase of approximately 35%.

Sustained public sector capital expenditure: Aggregate budgeted investment by oil public sector undertakings rises marginally to ₹1.34 trillion in FY 2026-27 from ₹1.30 trillion, with Oil and Natural Gas Corporation Limited budgeting ₹30,000 crore and Oil India Limited ₹8,653 crore.

Policy and regulatory reform: The Petroleum and Natural Gas Rules, 2025 streamline the regulatory framework to attract investment, while the Open Acreage Licensing Policy continues to open new acreage on a rolling basis.

Energy security imperative: Disruptions to Gulf supply have strengthened the policy commitment to increase domestic production, expand strategic petroleum reserves, and diversify import sources.

Samudra Manthan component-wise outlay (in ₹ crore)



(Source: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2292841®=3&lang=1>)

Outlook

The outlook for the Indian oil and gas sector is one of rising activity against a persistent structural deficit. Subject to exploration success, Samudra Manthan targets an increase in domestic oil and gas production from approximately 62 million tonnes of oil equivalent to 80 million tonnes annually, and an expansion of the hydrocarbon resource base from 1.6 billion tonnes of oil equivalent to 2.2 billion tonnes, with anticipated reserve accretion of more than 600 million tonnes of oil equivalent. Import dependence is nonetheless expected to remain elevated, since demand growth continues to outpace domestic production.

For the domestic oilfield equipment industry, the implications are favourable and specific. A programme of 60 deepwater exploration wells, rising onshore drilling intensity at the national oil companies and a dedicated allocation for localising critical equipment together point to sustained demand for wellhead

assemblies, drilling and casing accessories, gas lift systems and well service equipment. The emphasis on indigenous manufacturing under Make in India and Atmanirbhar Bharat further favours established domestic suppliers holding the certifications required by national oil companies. The principal risks are the pace at which scheme funds translate into awarded contracts, volatility in international crude prices, and the moderation in budgeted capital expenditure at certain public sector operators for FY 2026-27.

Company overview

United Drilling Tools Limited ('UDTL' or 'the Company') is an India-based manufacturer of oilfield equipment and tools serving exploration and production companies in the domestic and international oil and gas industry. Incorporated in 1985, the Company has built a four-decade track record in designing and manufacturing downhole and surface equipment used in drilling, well completion, well servicing, and production operations.

The Company operates manufacturing facilities in Noida, Uttar Pradesh, and Kandla & Mundra, Gujarat, supported by a modern, well-equipped machine shop comprising CNC and special-purpose lathes, milling machines, drilling machines, cylindrical grinders, and a powder coating plant, along with an in-house quality testing department. Its product range includes wireline winches, both open-loop and closed-loop systems for Zone I and Zone II hazardous area classifications, truck-mounted wireline units, open and cased hole logging units, conventional and wireline-retrievable gas lift valves, side pocket and conventional mandrels, interchangeable sleeve and integral blade stabilisers, and connectors together with thread protectors for large outer-diameter casing pipe ranging from 18 to 5/8 inches to 36 inches.

Products are manufactured to American Petroleum Institute (API) License No. 5B-0391, 5CT-0565, 5L-0424, 7-1-0393, 7-2-0851, 19G1-0008 and 19G2-0010 and to ISO 13679:2019, ISO 9001:2005, ISO 45001:2018 and ISO 14001:2015, reflecting the certification standards required by national and international oil companies and oilfield service providers. The Company's wholly owned subsidiary, P Mittal Manufacturing Private Limited, is consolidated into the Company's financial statements, and the Company and its subsidiary together operate within a single reportable business segment, classified as Engineering under Accounting Standard 17 issued by the Institute of Chartered Accountants of India.

Today, the Company supplies both the domestic market, mainly national oil companies and major private operators, and an expanding export market. This year, it secured orders from Brazil, Venezuela, and Nigeria, while continuing to serve its domestic clients, including a repeat order from Vedanta Limited for tubing, pup joints, crossovers, and accessories. Management has stated that growing the Company's presence in export markets, while

maintaining margin discipline, remains a key focus for the coming year.

Our Core Strengths

The Company's position in a technically demanding, specification-driven industry rests on capabilities accumulated over close to four decades of manufacturing for the oil and gas sector.

Established manufacturing track record: Close to 42 years of continuous manufacturing experience in oilfield equipment gives the Company deep process knowledge and application understanding that is difficult for new entrants to replicate.

Diversified and technically differentiated product range: The Company's portfolio spans wireline winches, gas lift valves, mandrels, stabilisers and large-diameter casing connectors, reducing dependence on any single product line and allowing it to address multiple stages of the well life cycle, from drilling through production and well servicing.

Growing international footprint: Recent export orders from Brazil, Venezuela and Nigeria evidence the Company's ability to compete internationally against established global oilfield equipment suppliers, and provide a base from which to reduce reliance on the domestic order cycle alone.

Improving financial discipline: A three-year growth in profit after tax that has consistently outpaced revenue growth, together with a strengthening EBITDA margin, reflects tightening cost control and a more favourable product mix rather than volume alone.

Conservative capital structure: The Company's low reliance on external borrowing provides balance sheet flexibility to fund working capital for a growing and increasingly export-oriented order book.

Our operational excellence

Operational excellence at the Company is built around precision manufacturing, disciplined quality assurance and continuous engagement with the technical requirements of exploration and production customers operating in demanding downhole and surface environments.

Manufacturing capability

The Company's machine shops are equipped with CNC and special-purpose lathes, milling machines, drilling machines, cylindrical grinders and powder coating plant, enabling in-house manufacture of precision-machined components to close tolerances. Connectors and threaded components are cold-rolled, phosphatised and coated, and fitted with thread protectors, consistent with international handling and transport standards for oilfield tubular goods.

Quality assurance

All major product lines are manufactured to recognised American Petroleum Institute specifications, and are produced under an ISO certified quality management system. An in-house quality testing department supports inspection and testing across the manufacturing process, from incoming material through to finished goods, before dispatch to customers.

Engineering and product development

The Company continues to refine its product designs based on field experience and customer feedback. Its integral blade stabilisers, fully heat-treated to a specified hardness and impact strength range, and are available in near-bit and string-type configurations for use in highly deviated wells, including side-tracking and fishing operations. This pattern of iterative, field-informed design improvement characterises the Company's approach across its product range.

SWOT Analysis

S- Strengths

- a) The company having strong intellectual property base, proven technology, and superior product quality, the company holds significant potential to expand in the global market. Increasing demand for reliable, affordable, and innovative equipment worldwide presents the company with an attractive opportunity to establish itself as a leading international player. By leveraging its domestic strengths, building strategic global partnerships, and focusing on brand positioning, the company can successfully capture emerging opportunities across geographies.
- b) Analysis indicates that the company is likely to experience stronger growth compared to the overall industry in the coming years. This anticipated performance overtakes industry averages, reflecting a favourable outlook for the company's future.
- c) In India, labour and overhead costs are much lower compared to the USA and Europe countries, where most of this equipment are currently made. This substantial cost difference gives Indian companies a strong advantage and produce equipment more affordably, allowing them to offer more competitive prices. This cost benefit ratio helps Indian manufacturers stand out in the global market.
- d) Compared with others in the industry, the company's products feature a high level of patented content. This unique aspect significantly enhances the company's competitive position. The specialized nature of these products sets the company apart from competitors. As a result, the company can leverage its proprietary technology to gain a strong market advantage. This distinctive edge helps secure a leading position in the industry.

- e) Currently, the company's products are recognized for their excellent quality. They stand out significantly in the market due to their high level of diversity. This unique quality helps the company distinguish itself from competitors. As a result, the products are supposed as top-tier in their category. This strong market presence underscores the company's reputation for excellence.
- f) The market is currently in a healthy state, experiencing rapid growth that presents significant opportunities for businesses. With demand increasing swiftly, companies are benefiting from a favourable environment with minimal price competition. This lack of intense pricing pressures allows firms to focus on enhancing their products and services rather than solely competing on cost. As a result, businesses can invest in innovation and quality improvements without the constant threat of price wars. Overall, the strong and expanding market conditions support sustainable success and profitability for companies operating within it.
- g) For new competitors, entering this market is both challenging and costly. This high barrier to entry helps protect the company's competitive position. Consequently, it enhances the company's overall value competitive position and increases its value.
- h) Customers prefer the company's products because they serve as effective substitutes for imports. These products are known for their high quality and reliability. Additionally, they are offered at reasonable prices. This combination of attributes makes the company a popular choice among buyers. Overall, the value provided helps build strong customer loyalty.
- i) Since the technology is well-tested and approved both domestically and internationally, there is minimal risk of product failure. This established reliability builds customer confidence in the products.
- j) The company has built long-standing relationships with its clients. This ongoing trust and loyalty strengthen its market position.
- k) As a registered MSME, the company receives price preferences from Indian public sector companies as per government policies in tenders and when purchasing equipment, giving it an advantage over larger and international competitors.
- l) A diversified product portfolio helps to cater to the demand of customer at one place.

W- Weakness

- a) As a smaller firm in the market, the company faces a slight disadvantage in its competitive position. This smaller scale can limit its market influence and overall impact.
- b) Being the company under the SME segment, so lacks the funds and time needed for substantial growth.
- c) The company's sales are primarily concentrated on government public sector undertakings (PSUs), with a relatively small customer base. Additionally, its presence in the international market is limited.
- d) The company operates on a moderate scale and relies heavily on a tender-based business model. The company's business dynamics are closely tied to securing and winning tenders.
- e) Need for continuous upgrades to match advanced drilling solutions offered by multinational players
- f) Dependence on certain imported raw materials and components may lead to delays or higher costs.

O- Opportunities

- a) Increasing investments in India's oil & gas exploration and government support for energy security.
- b) Rising demand for drilling tools in the Middle East, Africa, and Latin America provides strong export potential.
- c) As demand for oil and natural gas continues to rise, there will be an ongoing need for drilling more wells. The company is actively exploring ways to capitalize on these growing opportunities. This proactive approach aims to position the company to benefit from the increasing market demand.
- d) The Indian government's initiatives, like "Made in India" and "Atmanirbhar Bharat," are designed to boost local production and increase the competitiveness of Indian industries. In response, the company is working to develop value-added products domestically.
- e) Rising international oil prices have led to increased demand for equipment. This flow is driven by the need for more drilling and extraction capabilities.
- f) There is minimal business risk for these products due to consistently growing demand and limited competition from just 3-4 major global players. This stable market environment supports steady opportunities for the company.

- g) As customers become more cost-conscious and the global perception of Indian products improves, acceptance of Indian products in this field is rising.
- h) In addition to the international market, there is a substantial domestic market that is expected to remain healthy increasing trends for fifty years, there will be ongoing demand for oil.
- T- Threats**
- a) Instability in oil-rich regions can disrupt market access and supply chains.
- b) Volatile oil prices can impact investment and demand for drilling equipment.
- c) New environmental regulations or policy shifts can affect industry operations and costs.
- d) Growing adoption of renewable energy sources may reduce demand for traditional oil equipment.
- e) Recessions or economic slowdowns can decrease investments in oil exploration and drilling.
- f) Rising competition from both domestic and international manufacturers can impact market share and pricing.
- g) Interruptions in the supply chain can lead to delays and increased costs for manufacturing and delivery.

Financial review

FY 2025-26 was a year of continued financial recovery, in which growth in profitability comfortably outpaced growth in revenue, reflecting an improving product mix, tighter cost control and greater operating leverage as volumes recovered. Revenue from operations rose 5.69% to ₹181.96 crores from ₹172.16 crores. Full-year EBITDA stood at ₹33.64 crores. Standalone profit after tax rose 25.74% to ₹18.76 crores from ₹14.92 crores, while consolidated profit after tax, which includes the Company's wholly owned subsidiary, rose to ₹18.97 crores from ₹15.03 crores.

P&L analysis

(₹ in crore)

Particulars	FY 26	FY25	Growth (Change in %)
Revenue From operations	181.96	172.16	5.69%
Employee Benefits Expense	11.81	13.45	-12.19%
Finance cost	3.54	2.73	29.67%
EBITDA	33.64	26.26	28.10%
PBT	26.59	19.64	35.39%
PAT	18.76	14.92	25.74%
EPS (in ₹)	9.30	7.33	26.88%

Key Financial Ratios

Ratios	FY 26	FY25	% Change	Reason for Change
Trade Receivables Turnover	2.29	2.33	-1.65%	
Inventory Turnover Ratio	0.84	0.68	23.26%	
Debt Service Coverage Ratio	7.08	6.41	10.45%	
Current Ratio	11.81	3.77	213.26%	Increase due to Decrease in Trade payables and short term Borrowings
Debt-Equity Ratio	0.01	0.12	-90.00%	Decrease due to decrease in Borrowings
Operating Profit Margin (%)	16.16	12.76	26.65%	Increase due to improve margins.
Net Profit Ratio	10.39	8.65	20.10%	
Return on Equity Ratio	6.98	5.79	20.55%	

Analysis of Balance Sheet

(₹ in crore)

Particulars	FY 26	FY25	Growth (Change in %)
Total equity	278.34	263.11	5.79%
Long- term borrowings	0.087	1.12	-92.23%
Short- term borrowings	1.89	30.36	-93.77%
Total non- current assets	88.40	87.40	1.14%
Trade receivables	71.57	87.07	-17.80%
Cash and cash equivalents	1.68	1.56	7.69%
Land	3.82	3.82	0.00%

Risk Management

The Company has a Risk Management Committee, reconstituted by the Board with effect from 21 May 2026, alongside its Audit, Stakeholders' Relationship, Nomination and Remuneration, and Corporate Social Responsibility Committees, charged with identifying, assessing, and monitoring risks material to the business. The principal risks to which the Company is exposed, together with the measures adopted to address them, are set out below.

Commodity price and industry cycle risk

Demand for oilfield equipment is closely correlated with global exploration and production activity, which in turn is driven by crude oil and natural gas prices. The extreme price volatility experienced during FY 2025-26, following the closure of the Strait of Hormuz and subsequent partial normalisation, illustrates the degree to which the Company's end markets can be affected by events outside its control. The Company mitigates this exposure through a diversified product range addressing drilling, completion and production applications, and through a geographically diversified order book spanning domestic and export customers.

Foreign exchange risk

As export orders form a growing share of the Company's business, the Company is exposed to movements in foreign exchange rates between when an export order is booked and when payment is received. The Company manages this exposure through pricing and, where appropriate, hedging practices consistent with its risk management policy.

Raw material price risk

The Company's principal raw materials are alloy steel and other specialised metals used to manufacture downhole and surface equipment, whose prices can be volatile. The Company manages this exposure through forward planning of material requirements and, where contract terms permit, price variation provisions.

Competition risk

The Company competes with both larger multinational oilfield service and equipment companies and smaller regional manufacturers. It seeks to differentiate itself through certified, specification-compliant manufacturing, engineering responsiveness and a track record of reliable delivery, rather than through price competition alone.

Regulatory and export compliance risk

Operating across multiple jurisdictions exposes the Company to varying regulatory, safety and export control requirements. The Company manages this through its certified quality systems and by confirming, for each export transaction, that the arrangement is conducted on an arm's length basis in the ordinary course of business.

Internal Control Systems and their Adequacy

The Company has in place internal control systems commensurate with the size, scale and complexity of its manufacturing operations, designed to provide reasonable assurance regarding the safeguarding of assets, the prevention and detection of fraud and error, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information.

These systems encompass delegation of authority for procurement, production and dispatch; documented standard operating procedures for manufacturing and quality inspection consistent with the Company's ISO certification; budgetary control and periodic management reporting; and defined approval processes for capital expenditure and export transactions.

M/s Grover Lalla & Mehta, Chartered Accountants, have been appointed as the Company's Internal Auditor for FY 2026-27, and the internal audit function reports its findings to the Audit Committee, which reviews the adequacy and effectiveness of the Company's internal control systems on a periodic basis and monitors the implementation of any corrective action recommended. The Board is of the opinion that the internal control systems in place are adequate and were operating effectively during the year under review.

Human Resource and Industrial Relations

The Company recognises that its manufacturing capability, and the precision engineering on which its reputation rests, depends on the skill and experience of its workforce. Employees across design, machining, quality assurance and dispatch are central to the Company's ability to meet the exacting specifications demanded by oilfield equipment customers, both domestic and international.

The Company's workforce spans its manufacturing facilities at Uttar Pradesh & Gujarat, supported by sales, business development and administrative personnel. Given the technical nature of the Company's products, the Company emphasises retaining skilled machinists, quality inspectors, and engineers, along with structured on-the-job training, to maintain manufacturing standards as its order book and export activity expand.

As at 31 March 2026, the Company employed 282. The Company has a policy against sexual harassment at the workplace in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and has constituted an Internal Complaints Committee to address any complaints received. Industrial relations remained cordial throughout the year under review.

Cautionary Statement

Statements in this Management Discussion and Analysis about the Company's goals, projections, and expectations may be forward-looking statements under securities laws. These are based on assumptions about future events, but actual results could differ. Key factors include global and Indian oil and gas prices, exploration activity, geopolitical risks, raw material costs, currency exchange rates, industry competition, and regulatory changes. The Company isn't obligated to update these statements after any new developments.

Corporate Governance Report

The Board of Directors present the Company's Report on Corporate Governance, pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ('Listing Regulations') for the Financial Year ended March 31, 2026 (FY26).

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

United Drilling Tools Limited (UDTL) considers strong corporate governance as the foundation of its business and operations in the oil equipment manufacturing sector. The Company's governance approach is based on ethical conduct, regulatory compliance, effective risk management, and meaningful stakeholder engagement.

UDTL is committed to conducting its business with integrity, honesty, and fairness across all areas, including product development and customer relationships. The Company also places strong emphasis on complying with applicable laws and regulations while keeping its practices aligned with evolving industry standards.

Stakeholder engagement is an important part of the Company's governance approach. UDTL values the views of its shareholders, employees, customers, regulators, and local communities and encourages open communication and feedback. This approach helps the Company make responsible decisions, build trust, and support long-term sustainable growth.

CODE OF CONDUCT

The Company has a strong legacy of fair, transparent and ethical governance practices. The Company has adopted the Code of Conduct (Code) for Executive Directors ('EDs'), Senior Management Personnel and other Executives and Employees, which is available on the website of the Company. The Company has received confirmations from the EDs as well as Senior Management Personnel regarding compliance of the Code during the year under review.

The Company has also adopted the Code of Conduct for Non-Executive Directors ('NEDs') of the Company which includes the Code of Conduct of Independent Directors ('IDs') which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ('Act'). The same is available on the website of the Company. The Company has received confirmation from the NEDs

and IDs regarding compliance of the Code, for the year under review.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING AND CODE OF CORPORATE DISCLOSURE PRACTICES

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, ('SEBI Insider Trading Regulations'), as amended from time to time, the Board of Directors of the Company has adopted the Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices ('Insider Trading Code').

2. BOARD OF DIRECTORS

Composition & Category of the Board

The Company has adopted a Board Diversity Policy to promote a balanced and effective Board. The Board comprises experienced and qualified professionals with diverse expertise, backgrounds, and perspectives, supporting sound decision-making and effective oversight.

The Company values an inclusive approach where different views are encouraged and considered. This diversity strengthens governance, promotes innovation, and supports sustainable growth and long-term value creation while maintaining high standards of ethics, accountability, and corporate governance.

The Composition of Board of Directors of the Company during the year ended March 31, 2026 is in conformity with Regulation 17 of listing regulations read with Section 149 of the Companies Act, 2013 ('the Act').

As on March 31, 2026, the total strength of the Board of Directors of the Company was seven (7) Directors. Out of the total seven (7) Directors, Five (5) were Non-Executive Directors, of whom Four (4) were Non-Executive Independent Directors. The Board also comprised two (2) Executive Directors, including the Managing Director. Accordingly, Non-Executive Independent Directors constituted Four (4) out of seven (7) Directors, representing more than 50% of the total Board strength.

Sr. No.	Name of Directors	Category of Directorship	No. of Directorship and Committee Membership/ Chairmanship in other Companies*		
			Directorship	Committee Chairmanship*	Committee Membership*
1.	Shri Pramod Kumar Gupta	Promoter - Non Executive	-	-	-
2.	Shri Kanal Gupta	Promoter - Executive	-	-	-
3.	Shri Inderpal Sharma	Non-Promoter, Executive	-	-	-
4.	Shri Pandian Kalyanasundaram	Independent – Non Executive	-	-	-
5.	Shri Ved Prakash Mahawar	Independent – Non Executive	5	-	-
6.	Smt. Preet Verma	Independent – Non Executive	-	-	-
7.	Shri Khitish Kumar Nayak	Independent – Non Executive	2	3	-

* Audit Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee, Risk Management Committee of the Company.

Directorship in other listed companies and category of directors

Name of the Director	Name of the Company	Category of Directorship
Shri Khitish Kumar Nayak	Oval Projects Engineering Ltd	Independent – Non Executive

Except as stated above, no other Director holds appointment/directorship in any listed company

Based on the latest disclosure(s) received from Directors, it is stated that:-

- None of the Directors other than Shri Kanal Gupta being son of Shri Pramod Kumar Gupta are relatives' inter-se.
- None of the Directors holds directorship in more than twenty Companies including ten public Companies.
- None of the Directors serves as Independent Director in more than three listed Companies.
- None of the Independent Directors serves as an Independent Director in more than seven listed Companies.
- Shri Inderpal Sharma, Director of the Company whose office as directorship is counted as rotational, is liable to retire by rotation and being eligible offer himself, for re-appointment.
- Mr. Pandian Kalyanasundaram ceased to be Independent Director of the Company w.e.f. May 20, 2026, due to completion of his 2nd term of 5 consecutive years.
- Mr. Khitish Kumar Nayak, was appointed as a Non- Executive Independent Director of the Company w.e.f August 12, 2025.

Attendance, Number of Meetings & Number of Shares

During FY 2025–26, four (4) meetings of the Board of Directors were held on May 29, 2025, August 12, 2025, November 12, 2025, and February 14, 2026.

The interval between any two consecutive Board Meetings did not exceed 120 days, in compliance with the applicable provisions of the Companies Act, 2013.

The attendance of each Director at the Board Meetings held during FY 2025–26, along with their attendance at the **last Annual General Meeting (AGM)**, is set out below:

Sr. No.	Name of Directors	Attendance at Board meetings during FY25		No. of Equity Shares held	Attendance at the last AGM
		Held	Attended		
1.	Shri Pramod Kumar Gupta	4	4	1,43,63,800	Yes
2.	Shri Kanal Gupta	4	3	2,900	Yes
3.	Shri Inderpal Sharma	4	4	-	Yes
4.	Shri Pandian Kalyanasundaram	4	4	-	Yes
5.	Shri Ved Prakash Mahawar	4	3	-	Yes
6.	Smt. Preet Verma	4	4	-	Yes
7.	Shri Khitish Kumar Nayak	2	1		Yes

All meetings of the Board and its Committees referred to above were duly convened and conducted either through video conferencing facilities or in physical mode. The requisite quorum was present throughout each meeting, in accordance with the applicable provisions of the Act and the Listing Regulations.

The Company provides the Board and its Committees, as applicable, with all information specified under Regulation 17 read with Part A of Schedule II of the Listing Regulations.

Familiarisation Programme

In compliance with Regulation 25(7) of the SEBI Listing Regulations, the Company has established a comprehensive Familiarization Programme for Independent Directors to enhance their understanding of the Company's business, industry, roles, rights and responsibilities. The Independent Directors have attended various familiarization programmes conducted by the Company and the Indian Institute of Corporate Affairs (IICA). The policy is available on the Company's website at www.udtltd.com. This initiative reflects the Company's commitment to informed decision-making, effective governance and regulatory compliance

Board Skills, Expertise or Competence

The Board of Directors is regularly updated on the Company's operations through presentations and review of relevant documents during Board Meetings. Independent Directors also meet separately to evaluate the performance, skills and competencies of Board Members. The Company encourages and facilitates participation in training and familiarization programmes on regulatory developments and corporate governance practices. Insights and feedback from such programmes are shared with the management to strengthen governance and operational effectiveness. This continuous learning approach ensures that the Board remains well-informed, competent and responsive to evolving regulatory requirements.

Mapping of the skills / expertise / competencies fundamental for the effective functioning of the company which are currently available with the board is given below:-

Sr. No.	Name of the Directors	Skills / Expertise / Competencies
1.	Shri Pramod Kumar Gupta	Industrialist, Entrepreneur, Corporate Finance, Governance, Leadership, General Management
2.	Shri Kanal Gupta	Business Administration, Marketing, R & D, Information Technology, Leadership,
3.	Shri Inderpal Sharma	Production, General Administration, Engineering, Manufacturing, Human Recourse
4.	Shri Pandian Kalyanasundaram	Auditing, Legal & Social , Business Management, Administration, Governance,
5.	Shri Ved Prakash Mahawar	Mechanical Engineer, Industrial Experience, Leadership, Governance
6.	Smt. Preet Verma	Indian Audit and Accounts Service, Finance and Accounts, Social Activity, General Management
7	Shri Khitish Kumar Nayak	Mechanical Engineer, Cross-functional, Industrial Experience, Leadership, Governance

Fulfilment of the Independence Criteria by the Independent Directors

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 ("Act") and Regulation 16(1)(b) of the SEBI Listing Regulations.

The Independent Directors have also confirmed that they are not aware of any circumstance or situation, existing or reasonably anticipated, that could impair or impact their ability to discharge their duties with objective independent judgment and without any external influence, in accordance with Regulation 25(8) of the Listing Regulations.

The Board of Directors, after undertaking due assessment of the veracity of the declarations and confirmations furnished by the Independent Directors, is of the opinion that the Independent Directors fulfil the criteria of independence prescribed under the Act and the Listing Regulations and are independent of the management of the Company.

During the year under review, none of the Independent Directors of the Company resigned from office before completion of their respective tenure.

Further, the Independent Directors have complied with the applicable requirements relating to registration with the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs, in accordance with Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The Independent Directors have also complied with the applicable provisions of Schedule IV to the Act and the Listing Regulations relating to their duties, responsibilities and conduct.

Board Evaluation

In accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, 2015, the Nomination and Remuneration Committee has laid down the criteria and parameters for performance evaluation of the Board, its Committees and individual Directors.

The annual performance evaluation of the Board, its Committees and individual Directors is undertaken to assess their overall effectiveness in discharging their respective roles and responsibilities and contributing to informed and effective decision-making. The evaluation encompasses various parameters, including the performance and contribution of the Board and its Committees, the participation and contribution of individual Directors, their knowledge, skills and expertise, adherence to governance standards, and areas for further improvement.

The evaluation process is designed to promote accountability, enhance the effectiveness of the Board and its Committees, facilitate constructive feedback and identify opportunities for continuous improvement. The outcome of the evaluation is considered by the Board and the Nomination and Remuneration Committee, as applicable, with a view to strengthening the overall governance framework of the Company and supporting its long-term sustainable growth and the interests of its stakeholders.

Meeting and attendance of Independent Directors

The Independent Directors, through their independent perspective and objective judgment, play a significant role in strengthening transparency, accountability and corporate governance within the Company. Their active participation in Board deliberations contributes to informed decision-making and enhances the overall effectiveness and credibility of the Board.

In accordance with Clause VII of Schedule IV to the Companies Act, 2013 ("Act") read with Regulation 25(3) of the SEBI Listing Regulations, a separate meeting of the Independent Directors of the Company, without the presence of Non-Independent Directors and members of the management, was held on February 14, 2026, for the Financial Year 2025-26.

All the Independent Directors of the Company, namely Mr. Pandian Kalyanasundaram, Mr. Ved Prakash Mahawar, Mrs. Preet Verma and Mr. Khitish Kumar Nayak, were physically present throughout the meeting.

3. AUDIT COMMITTEE

Brief description of terms of reference

The terms of reference and scope of the Audit Committee are in accordance with the provisions of Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013, as applicable. The Audit Committee also undertakes such other functions,

duties and responsibilities as may be assigned to it by the Board of Directors from time to time.

Composition, Name of Members and Chairperson

As on March 31, 2026, the Audit Committee comprised four (4) members, all of whom were Independent Directors, with an Independent Director serving as the Chairperson of the Committee. The Audit Committee was chaired by Mr. Pandian Kalyanasundaram (DIN: 02568099), Independent Non-Executive Director of the Company. The other members of the Committee were Mr. Ved Prakash Mahawar (DIN: 07208090), Mrs. Preet Verma (DIN: 09124335) and Mr. Khitish Kumar Nayak (DIN: 02155949).

The composition of the Audit Committee is in compliance with the applicable provisions of the Act and the SEBI Listing Regulations.

During the Financial Year 2025-26, the Audit Committee met four (4) times, on May 29, 2025, August 12, 2025, November 12, 2025 and February 14, 2026. The requisite quorum was present at all the meetings.

Numbers of Meetings held and Attendance

Members	Number of Meeting held during tenure	Number of Meeting Attended
Mr. Pandian Kalyanasundaram	04	04
Mr. Ved Prakash Mahawar	04	03
Mrs. Preet Verma	04	04
Mr. Khitish Kumar Nayak	00	00

During the year and subsequent to the financial year under review, the composition of the Audit Committee underwent the following changes:

- Mr. Pandian Kalyanasundaram ceased to be a member of the Audit Committee with effect from May 20, 2026.
- Shri Khitish Kumar Nayak was appointed as a member of the Audit Committee with effect from February 14, 2026, and subsequently appointed as the Chairman of the Audit Committee with effect from May 21, 2026.

The minutes of the meetings of the Audit Committee are duly placed before and noted by the Board of Directors at its subsequent meetings. The Company Secretary acts as the Secretary to the Audit Committee.

4. NOMINATION AND REMUNERATION COMMITTEE

Brief description of terms of reference

The terms of reference and responsibilities of the Nomination and Remuneration Committee are in accordance with the applicable provisions of Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations. The Committee also undertakes such

other functions, duties and responsibilities as may be assigned to it by the Board of Directors from time to time.

The Nomination and Remuneration Committee has formulated and recommended to the Board a policy relating to the remuneration of Directors, Key Managerial Personnel and other employees, in accordance with the provisions of the Act and the Listing Regulations and same is available on the website of the Company i.e; www.udtltd.com.

The remuneration policy provides the framework for determining remuneration based on, inter alia, qualifications, experience, performance, responsibilities and other relevant factors, while ensuring that the remuneration structure is aligned with the Company's objectives and applicable statutory requirements.

Composition, Name of Members and Chairperson

As on March 31, 2026, the Nomination and Remuneration Committee comprised four (4) members, all of whom were Independent Directors, with an Independent Director serving as the Chairperson of the Committee.

The Committee was chaired by Mr. Ved Prakash Mahawar (DIN: 07208090), Independent Non-Executive Director of the Company. The other members of the Committee were Mr. Pandian Kalyanasundaram (DIN: 02568099), Mrs. Preet Verma (DIN: 09124335) and Mr. Khitish Kumar Nayak (DIN: 02155949), all being Independent Non-Executive Directors of the Company.

The composition of the Nomination and Remuneration Committee is in compliance with the applicable provisions of the Act and the SEBI Listing Regulations.

During the Financial Year 2025-26, the Nomination and Remuneration Committee met two (2) times, on August 12, 2025 and February 14, 2026. The requisite quorum was physically present at both the meetings.

Numbers of Meetings held and Attendance

Members	Number of Meeting held during tenure	Number of Meeting Attended
Mr. Ved Prakash Mahawar	02	02
Mr. Pandian Kalyanasundaram	02	02
Mrs. Preet Verma	02	02
Mr. Khitish Kumar Nayak	00	00

During the year and subsequent to the financial year under review, the composition of the Nomination and Remuneration Committee underwent the following changes:

- Mr. Khitish Kumar Nayak was appointed as a Member of the Nomination and Remuneration Committee with effect from February 14, 2026.

- Mr. Pandian Kalyanasundaram ceased to be a Member of the Nomination and Remuneration Committee with effect from May 20, 2026.

The minutes of the meetings of the Nomination and Remuneration Committee are duly placed before and noted by the Board of Directors at its subsequent meetings. The Company Secretary acts as the Secretary to the Committee

Performance Evaluation criteria for Independent Directors

In accordance with the provisions of Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations, the Nomination and Remuneration Committee has laid down the criteria and parameters for evaluating the performance of the Independent Directors.

The performance evaluation of the Independent Directors is undertaken with reference to various parameters, including their participation and contribution in Board and Committee meetings, commitment towards their roles and responsibilities, effective utilisation of their knowledge, experience and skills, integrity and ethical conduct, adherence to confidentiality, and ability to exercise independent judgment and provide objective and constructive views in the deliberations of the Board and its Committees.

The evaluation process is intended to assess the overall effectiveness and contribution of the Independent Directors and to identify areas for improvement, with a view to strengthening the quality of Board deliberations, corporate governance and the effectiveness of the Board as a whole.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

Brief description of terms of reference

The terms of reference and responsibilities of the Stakeholders Relationship Committee are in accordance with the applicable provisions of Section 178 of the Act and Regulation 20 read with Part D of Schedule II of the SEBI Listing Regulations.

The Committee is responsible for considering and resolving the grievances and requests of security holders, including complaints relating to transfer and transmission of securities, issue of duplicate share certificates, dematerialization and rematerialization of securities, non-receipt of annual reports, dividend warrants, notices or other communications, as applicable. The Committee also oversees matters relating to requests for split and consolidation of securities, change of name, change of mandate and other related requests, and reviews the performance and functioning of the Registrar and Share Transfer Agent.

The Committee also oversees matters relating to the transfer of shares and other securities to the Investor Education

and Protection Fund (IEPF), in accordance with the applicable provisions of the Act and rules made thereunder. The Committee further considers such other matters as may be assigned or referred to it by the Board of Directors from time to time.

Composition, Name of Members and Chairperson

As on March 31, 2026, the Stakeholders Relationship Committee comprised four (4) Directors, including three (3) Independent Directors and one (1) Executive Director, with an Independent Director serving as the Chairperson of the Committee.

The Committee was chaired by Mr. Pandian Kalyanasundaram (DIN: 02568099), Independent Non-Executive Director of the Company. The other members of the Committee were Mr. Ved Prakash Mahawar (DIN: 07208090) and Mr. Khitish Kumar Nayak (DIN: 02155949), Independent Non-Executive Directors, and Mr. Kanal Gupta (DIN: 01050505), Managing Director of the Company.

The composition of the Stakeholders Relationship Committee is in compliance with the applicable provisions of the Act and the SEBI Listing Regulations.

During the Financial Year 2025-26, the Stakeholders Relationship Committee met three (3) times, on August 12, 2025, November 12, 2025 and February 14, 2026. The requisite quorum was physically present at all the meetings.

Numbers of Meetings and Attendance

Members	Number of Meeting held during tenure	Number of Meeting Attended
Mr. Pandian Kalyanasundaram	03	03
Mr. Kanal Gupta	03	03
Mr. Ved Prakash Mahawar	03	03
Mr. Khitish Kumar Nayak	00	00

During the year and subsequent to the financial year under review, the composition of the Stakeholders Relationship Committee underwent the following changes:

- Mr. Khitish Kumar Nayak was appointed as a Member of the Stakeholders Relationship Committee with effect from February 14, 2026, and subsequently appointed as the Chairman of the Committee with effect from May 21, 2026.
- Mr. Pandian Kalyanasundaram ceased to be a Member of the Stakeholders Relationship Committee with effect from May 20, 2026.

The minutes of the meetings of the Stakeholders Relationship Committee are duly placed before and noted by the Board

of Directors at its subsequent meetings. The Company Secretary acts as the Secretary to the Committee.

Company Secretary, Compliance Officer & Nodal Officer

Mr. Anand Kumar Mishra, Qualified Company Secretary was acting as the Company Secretary and Compliance Officer of the Company and also acting as Nodal Officer for the purpose of IEPF rules and regulations.

Shareholders Complaints

The Company, along with its Registrar and Share Transfer Agent, M/s Beetal Financial and Computer Services (P) Limited ("RTA"), attends to and addresses the grievances and complaints of shareholders and investors received directly or through the Securities and Exchange Board of India (SEBI), Stock Exchanges and other regulatory authorities, as applicable.

During the Financial Year 2025-26, the Company received two (2) complaints from shareholders/investors. All such complaints were duly attended to and resolved to the satisfaction of the respective complainants. There were no investor complaints pending for resolution as on March 31, 2026.

The Company has constituted a Board-level Stakeholders' Relationship Committee to oversee and redress the grievances of shareholders and investors. The status of investor complaints, share transfers and other related matters is periodically placed before the Committee and reported to the Board of Directors.

5A. RISK MANAGEMENT COMMITTEE

Brief description of terms of reference

The Terms of Reference of the Risk Management Committee are in accordance with Regulation 21, as outlined in Schedule II Part D of the SEBI Listing Regulations, 2015. The committee is tasked with several responsibilities, including but not limited to crafting, supervising, and periodically reassessing the Risk Management Policy. Moreover, it holds the responsibility of keeping the Board of Directors apprised for discussions, recommendations, and proposed actions, ensuring transparency and informed decision-making.

Composition, Name of Members and Chairperson

As on March 31, 2026, the Risk Management Committee comprised four (4) Directors, with an Independent Director serving as the Chairperson. The Committee was chaired by Mrs. Preet Verma (DIN: 09124335), Independent Non-Executive Director of the Company.

The other members of the Committee were Mr. Pandian Kalyanasundaram (DIN: 02568099) and Mr. Khitish Kumar Nayak (DIN: 02155949), Independent Non-Executive Directors of the Company, and Mr. Kanal Gupta (DIN: 01050505), Managing Director of the Company.

The composition of the Risk Management Committee is in compliance with the applicable provisions of the Act and the SEBI Listing Regulations.

During FY 2025-26, the Risk Management Committee met two (2) times, on May 29, 2025 and November 12, 2025.

Numbers of Meetings and Attendance

Members	Number of Meeting held during tenure	Number of Meeting Attended
Mrs. Preet Verma	02	02
Mr. Kanal Gupta	02	01
Mr. Pandian Kalyanasundaram	02	02
Mr. Khitish Kumar Nayak	00	00

During the year and subsequent to the financial year under review, the composition of the Risk Management Committee underwent the following changes:

- Mr. Khitish Kumar Nayak was appointed as a Member of the Risk Management Committee with effect from February 14, 2026.
- Mr. Pandian Kalyanasundaram ceased to be a Member of the Risk Management Committee with effect from May 20, 2026.

The minutes of the meetings of the Risk Management Committee are duly placed before and noted by the Board of Directors at its subsequent meetings. The Company Secretary acts as the Secretary to the Committee.

The policy on Risk Management is available on the website of the Company i.e; www.udtltd.com.

5B. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Brief description of terms of reference

In accordance with the provisions of Section 135 of the Companies Act, 2013 ("Act"), read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, the Corporate Social Responsibility ("CSR") Committee is responsible for formulating and recommending to the Board of Directors the CSR Policy of the Company, indicating the activities to be undertaken by the Company in the areas or subjects specified in Schedule VII to the Act.

The CSR Committee is also responsible for recommending the amount of expenditure to be incurred on CSR activities and monitoring the CSR Policy of the Company from time to time. The Committee oversees the implementation of the CSR initiatives undertaken by the Company in accordance with the approved CSR Policy and the applicable provisions of the Act and the Rules made thereunder.

The Board of Directors, after considering the recommendations of the CSR Committee, approves the CSR Policy and oversees its implementation in accordance with the applicable provisions of the Act and the Rules. The Company is committed to undertaking its CSR initiatives in a responsible and sustainable manner.

Composition, Name of Members and Chairperson

As on March 31, 2026, the Corporate Social Responsibility ("CSR") Committee comprised five (5) Directors, with an Independent Director serving as the Chairperson. The CSR Committee was chaired by Mr. Ved Prakash Mahawar (DIN: 07208090), Independent Non-Executive Director of the Company.

The other members of the Committee were Mr. Pandian Kalyanasundaram (DIN: 02568099), Mrs. Preet Verma (DIN: 09124335), Mr. Pramod Kumar Gupta (DIN: 00619482) and Mr. Khitish Kumar Nayak (DIN: 02155949), Non-Executive Directors of the Company.

The composition of the CSR Committee is in compliance with the applicable provisions of Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time. The CSR Committee carries out its functions in accordance with the provisions of the Act, the Rules made thereunder and the CSR Policy of the Company.

During FY 2025-26, the CSR Committee met once, on February 14, 2026.

Numbers of Meetings and Attendance

Members	Number of Meeting held during tenure	Number of Meeting Attended
Mr. Pramod Kumar Gupta	01	01
Mrs. Preet Verma	01	01
Mr. Pandian Kalyanasundaram	01	01
Mr. Ved Prakash Mahawar	01	01
Mr. Khitish Kumar Nayak	00	00

During the year and subsequent to the financial year under review, the composition of the Corporate Social Responsibility Committee underwent the following changes:

- Mr. Khitish Kumar Nayak (DIN: 02155949) was appointed as a Member of the Corporate Social Responsibility Committee with effect from February 14, 2026.
- Mr. Pandian Kalyanasundaram (DIN: 02568099) ceased to be a Member of the Corporate Social Responsibility Committee with effect from May 20, 2026.

The minutes of the meetings of the Corporate Social Responsibility Committee are duly placed before and

noted by the Board of Directors at its subsequent meetings. The Company Secretary acts as the Secretary to the Committee.

The Corporate Social Responsibility Policy of the Company is available on the website of the Company i.e; www.udtltd.com.

5C. SENIOR MANAGEMENT

During the FY 2025-26, Mr. Anand Kumar Mishra continued to act as the Company Secretary-cum-Compliance Officer of the Company, and Mr. Manoj Kumar Arora continued to act as the Chief Financial Officer of the Company. There were no changes in the Senior Management Personnel of the Company during the financial year 2025-26.

6. REMUNERATION OF DIRECTORS

Pecuniary Relationship of Non-Executive Directors

The Company has no pecuniary relationship or transactions with its Non-Executive Directors, including Independent Directors, except for the payment of sitting fees for attending meetings of the Board of Directors and its Committees and the consultancy services availed from M/s Oil Drilling Consultancy Services, a sole proprietorship concern of Shri Pramod Kumar Gupta, Non-Executive Director of the Company.

The Company pays consultancy fees of ₹12.40 lakh per month for the consultancy services availed from the said proprietorship concern. The said transaction has been duly approved by the shareholders of the Company in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Non-Executive Directors

The Non-Executive Directors of the Company, other than Mr. Pramod Kumar Gupta, are remunerated in the form of sitting fees. Sitting fees are paid to the Non-Executive

Directors for attending meetings of the Board of Directors, Committees of the Board of Directors and other meetings of the Directors, at the rate of ₹50,000/- per meeting, including Committee meetings and other meetings, along with conveyance allowance of ₹6,000/- for attending such meetings.

The payment of sitting fees and conveyance allowance is made in accordance with the applicable provisions of the Act and SEBI Listing Regulations.

Criteria for making payments to Non-Executive Directors

The criteria for making payments to the Non-Executive Directors are in accordance with the Policy on Remuneration of Directors, Key Managerial Personnel and other employees of the Company. The said Policy is available on the website of the Company at www.udtltd.com.

Criteria for making payments to Executive Directors

During the period under review, the Company paid remuneration to three Executive Directors, namely, Mr. Pramod Kumar Gupta, Chairman-cum-Managing Director, up to August 12, 2025, who resigned from the position of Managing Director with effect from August 12, 2025 and thereafter continued as a Non-Executive Director; Mr. Kanal Gupta, who was appointed as Managing Director with effect from August 12, 2025 and, prior thereto, was serving as a Whole-Time Director; and Mr. Inderpal Sharma, Whole-Time Director of the Company.

The remuneration of the Executive Directors was determined by the Board of Directors on the recommendation of the Nomination and Remuneration Committee and with the approval of the Members of the Company, wherever applicable, along with such other approvals as may have been required, in accordance with the provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws and regulations.

Remuneration to Executive Directors

Sr. No.	Name of Directors	Designation	Salary	Contribution to PF	Total
1.	Shri Pramod Kumar Gupta	Chairman-cum-Managing Director	65,32,258	-	65,32,258
2.	Shri Kanal Gupta	Managing Director	39,48,387	21,600	39,69,987
3.	Shri Inderpal Sharma	Whole-time Director	13,79,872	21,600	14,01,472

During the year under review, the following changes took place in the designation and position of the Executive Directors of the Company:

- Shri Pramod Kumar Gupta tendered his resignation from the position of Managing Director with effect from August 12, 2025 and thereafter continued to serve as a Non-Executive Director of the Company.
- Shri Kanal Gupta's designation was changed from Whole-Time Director to Managing Director with effect from August 12, 2025.

Sitting Fees to Non-Executive Independent Directors

Sr. No.	Name of Directors	Designation	Sitting Fees	Other	Total
1.	Shri Pandian Kalayanasundaram	Independent Director	2,00,000	-	2,00,000
2.	Shri Ved Prakash Mahawar	Independent Director	1,50,000	-	1,50,000
3	Smt. Preet Verma	Independent Director	2,00,000	-	2,00,000
4.	Shri Khitish Kumar Nayak	Independent Director	50,000	-	50,000

No stock options were granted or issued to any Non-Executive Director or other Director of the Company. Accordingly, stock options do not form part of the remuneration package payable to any Director of the Company.

During FY 2025-26, the Company did not grant or provide any loan or advance to any of its Directors.

7. GENERAL BODY MEETING
A. Annual General Meeting

Location, date and time of last three (3) Annual General Meetings (AGMs) and Special Resolutions passed there at:

Year	Location	Day, date & time	Special resolution
2022-23	Through Video Conferencing/Other Audio Visual Means (VC/OAVM) facility. Deemed Venue for meeting: Registered Office of the Company.	Tuesday, the 26 th September, 2023 at 11.30 A.M.	No
2023-24	Through Video Conferencing/Other Audio Visual Means (VC/OAVM) facility. Deemed Venue for meeting: Registered Office of the Company.	Wednesday, the 25 th September, 2024 at 11.30 A.M.	Yes
2024-25	Through Video Conferencing/Other Audio Visual Means (VC/OAVM) facility. Deemed Venue for meeting: Registered Office of the Company.	Tuesday, the 23 rd September, 2025 at 11.30 A.M.	Yes

B. Postal Ballot
Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot:

During FY 2025-26, the Company sought the approval of its Members by way of Postal Ballot pursuant to the Postal Ballot Notice dated February 14, 2026. The details of the Postal Ballot are set out below:

The remote e-voting period commenced on Sunday, March 01, 2026, at 10:00 a.m. (IST) and ended on Monday, March 30, 2026, at 5:00 p.m. (IST). The consolidated report on the results of the Postal Ballot conducted through remote e-voting for approval of the aforesaid resolution was submitted by the Scrutiniser on Tuesday, March 31, 2026.

The Company has entered into an arrangement with Central Depository Services (India) Limited ("CDSL") for providing remote e-voting facilities to its Members. Under this facility, Members are provided with an electronic platform to participate in the voting process and cast their votes on the resolutions proposed to be passed through Postal Ballot.

In respect of the aforesaid Postal Ballot conducted by the Company during FY 2025-26, the Board of Directors appointed Mr. Varun Sharma (ACS: 21011), of Balraj Sharma & Associates, Practising Company Secretaries (PRN: 6262/2024; CP No.: 26768), as the Scrutiniser to scrutinise the Postal Ballot process in a fair, transparent and impartial manner.

The results of the Postal Ballot, along with the Scrutiniser's Report, were made available on the website of the Company and were also communicated to the Stock Exchange(s) in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Procedure for postal ballot: The aforesaid Postal Ballot was conducted by the Company in accordance with the provisions of Sections 108 and 110 and other applicable provisions of the Companies Act, 2013 ("the Act"), read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India, and General Circular No. 03/2025 dated 22 September 2025, as applicable, together with other applicable circulars, notifications and statutory provisions issued from time to time.

Summary Procedure for postal ballot:

- The notices containing the proposed resolutions and explanatory statement are sent to the shareholders electronically (in terms of relaxation provided by MCA) containing the details of the Scrutiniser appointed by the Board for carrying out the Postal Ballot process.
- The Postal Ballot votes cast within 30 days of dispatch are considered by the Scrutiniser.
- The Scrutiniser submits his report to the Chairman or any person authorised by him, who on the basis of the report, announces the results.
- The Company has entered into an agreement with Central Depository Services (India) Limited ('CDSL') for providing e-voting facility to its shareholders. Under this facility, shareholders are provided an electronic platform to participate and vote on the resolutions to be passed through Postal Ballot.
- The result of the Postal Ballot along with the Scrutinizer's report are placed on the website of the Company (www.udtltd.com), depository and also communicated to the Stock Exchanges.

Voting Results in the format specified in Reg 44(3) of SEBI (LODR) Regulations, 2015**Item No. 1- Re-appointment of Mr. Ved Prakash Mahawar (DIN: 07208090) as Non-Executive & Independent Director of the Company.**

Details of Agenda No. 01		Re-appointment of Mr. Ved Prakash Mahawar (DIN: 07208090) as Non-Executive & Independent Director of the Company.						
Resolution required: (Ordinary/ Special)		Special Resolution						
Whether promoter/ promoter group are interested in the agenda/resolution?		Yes						
Resolution passed through postal Ballot	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes – In favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	-	-	-	-	-	-	-
	Poll	-	-	-	-	-	-	-
	Postal Ballot	1,51,55,460	1,51,55,460	100.00	1,51,55,460	-	100.00	-
	Total (a)	1,51,55,460	1,51,55,460	100.00	1,51,55,460	-	100.00	-
Public-Institutions	E-Voting	-	-	-	-	-	-	-
	Poll	-	-	-	-	-	-	-
	Postal Ballot	87,430	-	-	-	-	-	-
	Total (b)	87,430	-	-	-	-	-	-
Public-Non Institutions	E-Voting	-	7,77,956	15.3739	7,77,943	13	99.9983	0.0017
	Poll	-	-	-	-	-	-	-
	Postal Ballot	50,60,236	-	-	-	-	-	-
	Total (c)	50,60,236	7,77,956	15.3739	7,77,943	13	99.9983	0.0017
Total (a+b+c)		2,03,03,126	1,59,33,416	78.4776	1,59,33,403	13	99.9999	0.0001

The aforesaid resolution was duly passed with requisite majority.

Item No. 2- Re-appointment of Mrs. Preet Verma (DIN: 09124335) as Non-Executive & Independent Women Director of the Company

Details of Agenda No. 01	Re-appointment of Mrs. Preet Verma (DIN: 09124335) as Non-Executive & Independent Women Director of the Company.
Resolution required: (Ordinary/ Special)	Special Resolution
Whether promoter/ promoter group are interested in the agenda/resolution?	Yes

Resolution passed through postal Ballot	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes – In favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	-	-	-	-	-	-	-
	Poll	-	-	-	-	-	-	-
	Postal Ballot	1,51,55,460	1,51,55,460	100.00	1,51,55,460	-	100.00	-
	Total (a)	1,51,55,460	1,51,55,460	100.00	1,51,55,460	-	100.00	-
Public-Institutions	E-Voting	-	-	-	-	-	-	-
	Poll	-	-	-	-	-	-	-
	Postal Ballot	87,430	-	-	-	-	-	-
	Total (b)	87,430	-	-	-	-	-	-
Public-Non Institutions	E-Voting	-	7,77,956	15.3739	7,77,943	13	99.9983	0.0017
	Poll	-	-	-	-	-	-	-
	Postal Ballot	50,60,236	-	-	-	-	-	-
	Total (c)	50,60,236	7,77,956	15.3739	7,77,943	13	99.9983	0.0017
Total (a+b+c)		2,03,03,126	1,59,33,416	78.4776	1,59,33,403	13	99.9999	0.0001

The aforesaid resolution was duly passed with requisite majority.

Item No. 3- Approve Related Party Transactions with M/s Oil Drilling Consultancy Services, a sole Proprietorship firm of Shri Pramod Kumar Gupta, Non-Executive Director of the Company

Details of Agenda No. 01	Approve Related Party Transactions with M/s Oil Drilling Consultancy Services, a sole Proprietorship firm of Shri Pramod Kumar Gupta, Non-Executive Director of the Company
Resolution required: (Ordinary/ Special)	Special Resolution
Whether promoter/ promoter group are interested in the agenda/resolution?	Yes

Resolution passed through postal Ballot	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes – In favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	-	-	-	-	-	-	-
	Poll	-	-	-	-	-	-	-
	Postal Ballot	1,51,55,460	1,51,55,460	100.00	1,51,55,460	-	100.00	-
	Total (a)	1,51,55,460	1,51,55,460	100.00	1,51,55,460	-	100.00	-

Resolution passed through postal Ballot	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes – In favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Public-Institutions	E-Voting	-	-	-	-	-	-	-
	Poll	-	-	-	-	-	-	-
	Postal Ballot	87,430	-	-	-	-	-	-
	Total (b)	87,430	-	-	-	-	-	-
Public-Non Institutions	E-Voting	-	7,77,956	15.3739	7,77,943	13	99.9983	0.0017
	Poll	-	-	-	-	-	-	-
	Postal Ballot	50,60,236	-	-	-	-	-	-
	Total (c)	50,60,236	7,77,956	15.3739	7,77,943	13	99.9983	0.0017
Total (a+b+c)		2,03,03,126	1,59,33,416	78.4776	1,59,33,403	13	99.9999	0.0001

Details of the Invalid Vote

Category	No. of Votes
Promoter and Promoter Group	1,51,55,460
Public Institutions	0
Public-Non Institutions	0

The aforesaid resolution was duly passed with requisite majority.

Details of special resolution proposed to be conducted through postal ballot: None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

8. MEANS OF COMMUNICATION

Quarterly Results & Newspapers	The quarterly, half-yearly, and annual financial results of the Company are duly submitted to the Stock Exchange/s and published in the prominent Indian newspapers i.e; Financial Express in English and Jansatta in Hindi Language along with the QR code.
Website	The above approved financial results are uploaded on the Website of the Company i.e; https://udtltd.com/quarterly-results/ .
Official News Release	Yes
Presentation	No

The Company's website serves as a comprehensive source of information relating to its leadership, management, vision, mission, policies, corporate governance, sustainability, investor relations, products and processes, and various updates and news.

The 'Investors' section of the Company's website provides relevant information to shareholders and investors, including financial information, statutory and regulatory disclosures, stock exchange compliances, shareholding patterns, updated credit ratings, corporate benefits, information relating to the Stock Exchanges, details of the Registrar and Transfer Agent ("RTA") among other relevant information.

The Company endeavours to ensure that the information required to be disclosed under the applicable provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws and regulations is made available on its website in a timely manner.

The Company shall provide a physical copy of the Annual Report for FY 2025-26 to those Members who request the same from the Company at compsect@udtltd.com or from the Company's designated Registrar and Transfer Agent ("RTA") at beetalrta@gmail.com

The Company encourages Members to register their email address with their Depository Participant or the Company, to receive soft copies of the Annual Report, Notices and other information disseminated by the Company, without any delay.

9. GENERAL SHAREHOLDERS INFORMATION

- a. Dividend Payment Date** – Thursday, October 8, 2026 onwards (Final Dividend)

Dividend Record Date – Wednesday, September 16, 2026

Book Closure – Thursday, September 17, 2026 to Wednesday, September 23, 2026 (both days Inclusive)

- b. Listing of Equity Shares on Stock Exchanges**

The Company's Equity Shares continues to be listed on both the domestic stock exchange(s) viz., BSE Limited and National Stock Exchange of India Limited.

- | | |
|---|---|
| <p>(i) BSE Limited
 Floor 25,
 P. J. Towers
 Dalal Street,
 Mumbai - 400 001</p> | <p>(ii) National Stock Exchange of India Ltd.
 Exchange Plaza, Plot no. C/1,
 G Block, Bandra-Kurla Complex,
 Bandra (E), Mumbai - 400 051</p> |
|---|---|

The Company has paid Annual listing Fee(s) to both of them for the FY 2025-26.

- c. Suspension from Trading**

The Company's equity shares are continue to trade on both the stock exchange(s).

- d. Registrar and Share Transfer Agent**

All the investor related activities are attended to and processed by the Company's RTA including transmission of shares, change of mandate, dematerialization and rematerialization, who can be contacted as per below details:

Beetal Financial & Computer Services Pvt. Ltd.

Beetal House, 3rd Floor, 99, Madangir,
 Near Dada Harsukh Dass Mandir,
 B/H Local Shopping Centre, New Delhi-110062
 Tel. No. 011-29961281-283, Email - beetalrta@gmail.com

- e. Investor Grievance and Share Transfer System**

The Securities of the listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019.

Pursuant to SEBI Circulars dated July 2, 2025 and January 6, 2026 read with SEBI Master Circular issued to RTAs dated February 6, 2026, Members who had submitted transfer deeds for physical shares before April 1, 2019, and whose requests were rejected, returned, or remained unprocessed due to deficiencies, have been provided a special re-lodgement window till February 4, 2027, to re-lodge the transfer requests. Transfers would be approved if all the requisite documents are in place. Transfer of shares under this window will be credited only in dematerialised form and will carry a one-year lock in period from the date of

transfer registration. Members are requested to contact the Company or the RTA for assistance in this regard.

The SEBI Circular dated December 24, 2025 has simplified the framework for issuance of duplicate share certificates and related procedures. The documentation requirements have been standardized as below:

- Value Up to ₹10,000: Undertaking on plain paper (no notarization required)
- Value Above ₹10,000 and up to ₹10 lakh - Single Affidavit-cum-Indemnity Bond
- Value Above ₹10 lakh - Affidavit-cum-Indemnity Bond along with FIR/Police Complaint and Newspaper Advertisement.

Further, Letter of Confirmation ('LOC') will not be issued effective April 2, 2026 and shares will be credited directly to the shareholder's demat account by the RTA, subject to due diligence. Shareholders are requested to provide a Client Master List not older than two months, duly attested by their DPs.

Any LOC issued before April 2, 2026, may be submitted by the shareholders to DP for dematerialization within 120 days from the date of issuance of LOC.

Shareholders are advised to refer the latest SEBI guidelines/ circulars issued for all the holder holding securities in listed companies in physical form from time to time and keep their KYC details updated at all times, to avoid freezing their folio as prescribed by SEBI.

Dispute Resolution Mechanism (SMART ODR):

In order to strengthen the dispute resolution mechanism for all disputes between a listed company and / or registrars & transfer agents and its shareholder(s) / investor(s), SEBI had issued a Standard Operating Procedure ('SOP') vide Circular dated May 30, 2022. As per this Circular, shareholder(s)/ investor(s) can opt for Stock Exchange Arbitration Mechanism for resolution of their disputes against the Company or its RTA. Further, SEBI vide Circular dated July 31, 2023 (updated as on December 20, 2023), introduced the Online Dispute Resolution ('ODR') Portal. Through this ODR portal, the aggrieved party can initiate the mechanism, after exercising the primary options to resolve its issue, directly with the Company and through the SEBI Complaint Redress System ('SCORES') platform. The Company has complied with the above circulars and the same are available at the website of the Company.

f. Distribution Summary as on March 31, 2026

Category (Shares) From To	No. of Shareholders	% to total shareholders	No. of shares	% to total no. of shares
Upto 5000	12,084	91.824	11,17,933	5.5062
5001 to 10000	610	4.635	4,68,247	2.3063
10001 to 20000	252	1.915	3,80,235	1.8728
20001 to 30000	75	0.570	1,83,518	0.9039
30001 to 40000	36	0.274	1,31,875	0.6495
40001 to 50000	22	0.167	1,02,067	0.5027
50001 to 100000	42	0.319	3,03,792	1.4963
100001 to above	39	0.296	1,76,15,459	86.7623
Total	13,160	100.00	2,03,03,126	100.00

Shareholding summary as on March 31, 2026

Particulars	Shares	Percentage (%)
Physical	3,15,126	1.55
NSDL	22,91,648	11.29
CDSL	1,76,96,352	87.16
Total	2,03,03,126	100.00

Shareholding Pattern as on March 31, 2026

Categories	No. of Shares	Percentage (%)
(A) Promoter & Promoter Group (Indian, Individual)		
• Pramod Kumar Gupta	1,43,63,800	70.747
• Prabha Gupta	7,88,760	3.885
• Kanal Gupta	2,900	0.014
(B) Public		
(B1) Institutions (Indian Investor)	1,300	0.006
(B2) Institutions (Foreign Portfolio Investor)	89,395	0.440
(B3) Central Government / State Government(s)		
(B4) Non-Institutions:		
- IEPF	5,31,487	2.617
- Individual share capital upto ₹2 Lacs	25,52,645	12.573
- Individual share capital in excess of ₹2 Lacs	6,04,988	2.980
- NRI	1,06,831	0.527
- Trust	800	0.004
- Body Corporate(s)	10,80,600	5.322
- HUF	1,79,620	0.885
Total	2,03,03,126	100.00

Reconciliation of Share Capital Audit

A Company Secretary in Practice carries out the Reconciliation of Share Capital Audit of the Company on a quarterly basis to reconcile the total admitted capital with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") (collectively, the "Depositories") and the total issued and listed capital of the Company.

The Audit Report confirms that the total paid-up share capital of the Company is in agreement with the aggregate of the total number of shares held in physical form and the total number of shares held in dematerialised form with the Depositories.

The Reconciliation of Share Capital Audit Report is submitted to the Stock Exchange(s) on a quarterly basis in accordance with the applicable regulatory requirements and is also available on the Company's website at www.udtltd.com.

g. Dematerialization of shares and liquidity

As on March 31, 2026, out of the total paid-up equity share capital of the Company, 1,99,88,000 equity shares were held in dematerialised form and 3,15,126 equity shares were held in physical form.

The equity shares held in dematerialised form represented 98.45% of the total paid-up equity share capital of the Company, while the equity shares held in physical form represented 1.55% thereof.

h. The Company does not have any outstanding Global Depository Receipts ("GDRs"), American Depository Receipts ("ADRs"), warrants or any other convertible instruments as on March 31, 2026.

i. The details relating to the Company's exposure to commodity price risk, foreign exchange risk and hedging activities, including the nature and extent of such exposure and the measures undertaken by the Company for managing the associated risks, are disclosed in detail in the Notes to the Financial Statements forming part of the Annual Report. The Members are requested to refer to the relevant notes to the Financial Statements for further details.

j. Plant locations & Address for Correspondence

The locations of the Company's plants and the address for correspondence are provided on the Corporate Information page of the Annual Report. The details of the Company's plants, including their respective addresses and telephone numbers, are also available on the Company's website at www.udtltd.com.

k. Credit Rating

The Information relating to the credit ratings assigned to the Company during FY 2025-26 is provided in the Directors' Report forming part of the Annual Report of the Company.

10. OTHER DISCLOSURES

- Transfer of unpaid / unclaimed amounts and shares to Investor Education and Protection Fund (IEPF):**

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended ('IEPF Rules'), dividend, if not encashed/ claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to IEPF Authority.

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders, the Company sends reminder letters/necessary communication to the shareholders periodically to claim their dividends in order to avoid transfer of dividend/ shares to IEPF Authority. Therefore, the Company urges all its members to encash/claim their respective dividend of previous years. The details of the unpaid/ unclaimed dividend lying with the Company are available on the website of the Company.

The details of unclaimed dividends and shares transferred to IEPF are as under:

Financial Year	Amount of Unclaimed Dividend transferred	No. of Shares transferred
2016-17	3,04,072.80	5,06,788
2017-18	9,12,588.60	24,699
2018-19 (I)	4,72,204.00	-

The above mentioned dividend amount and the respective shares may be claimed from the IEPF Authority by making an electronic application in web-form IEPF-5. Upon submitting a duly completed form, shareholders are required to take print of the same and send physical copy duly signed along with requisite documents as specified in the form to the attention of the Nodal Officer, at the Corporate Office of the Company.

No claims shall lie against the Company in respect of the dividend/ shares transferred to the demat account of IEPF Authority.

The unpaid dividends that are due for transfer to the Investor Education and Protection Fund (IEPF) are as follows:

Financial Year	Date of Declaration	Type of Dividend	Due date for transfer to IEPF
2018-19	20/09/2019	Final	25/10/2026
2019-20	23/10/2019	Interim	27/11/2026
	12/02/2020	Interim	20/03/2027
	11/03/2020	Interim	17/04/2027
2020-21	25/08/2020	Interim	01/10/2027
	13/02/2021	Interim	21/03/2028
	28/09/2021	Final	03/11/2028
2021-22	24/07/2021	Interim	29/08/2028
	09/02/2022	Interim	17/03/2029
	26/09/2022	Final	01/11/2029
2022-23	13/08/2022	Interim	18/09/2029
	11/02/2023	Interim	19/03/2030
	26/09/2023	Final	01/11/2030
2023-24	14/08/2023	Interim	19/09/2030
	09/02/2024	Interim	17/03/2031
	25/09/2024	Final	01/11/2031
2024-25	13/08/2024	Interim	21/09/2031
	07/02/2025	Interim	14/03/2032
	23/09/2025	Final	30/10/2032
2025-26	12/08/2025	Interim	19/09/2032
	14/02/2026	Interim	22/03/2033

Members, who have not encashed their dividend pertaining to the aforesaid years may approach the Company / its registrar, for obtaining payments thereof at-least 20 days before they are due for transfer to IEPF.

- A Whistle Blower Policy is adopted by the Company, the whistle blower mechanism is in vogue and no personnel has been denied access to the Audit Committee.
- All the mandatory requirements have been duly complied with and certain discretionary disclosure requirements were undertaken.
- The Company has not raised any funds through preferential allotment or qualified institutional placement as specified under Regulation 32(7A) of the Listing Regulations.
- A certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority has been obtained and is annexed to this report.
- During the year under review, the recommendations made by the different Committees have been accepted by the Board and there were no instances where the Board of Directors had not accepted any recommendation of the Committees.
- The Company has no material subsidiary during the year under review.
- During the FY26, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors apart from paying Director's remuneration. Further, the Directors have not entered into any contracts with the Company or its subsidiaries, which will be in material conflict with the interest of the Company. The Board has received disclosures from KMPs and Members of Senior Management relating to material, financial and commercial transactions where they and/or their relatives have personal interest.
- During FY 2025-26, the Company received notices from BSE Limited and National Stock Exchange of India Limited, vide emails dated November 28, 2025, imposing an aggregate fine of ₹84,000 for delayed compliance with Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company submitted a Waiver Application dated December 11, 2025 to the Stock Exchanges seeking waiver of the aforesaid fines. The said Waiver Application was subsequently rejected by the Stock Exchanges vide their respective communications dated May 11, 2026.

Thereafter, the Company filed a Review Application with the Stock Exchanges on July 31, 2026 against the rejection of the Waiver Application. The matter is presently under review by the Stock Exchanges.

- During FY 2022-23, BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") issued notices imposing fines on the Company for alleged non-compliance with Regulation 21(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). BSE also issued notice(s) imposing fines for alleged non-compliance with Regulation 23(9) of the Listing Regulations.

In respect of the aforesaid notices, the Company re-submitted the requisite compliance to BSE on January 14, 2023, along with supporting proof and acknowledgement evidencing the original timely submission, and requested withdrawal of the alleged non-compliance. Thereafter, the Company filed a Waiver Application dated January 20, 2023 with the Stock Exchanges seeking waiver of the aforesaid fines.

The Waiver Application was rejected by the Stock Exchanges vide their respective communications dated March 6, 2026. Subsequently, the Company filed a Review Application with the Stock Exchanges on June 5, 2026 against the said rejection. The matter is presently under review by the Stock Exchanges.

Except as stated above, no penalty or fine has been imposed on the Company by any Stock Exchange, the Securities and Exchange Board of India ("SEBI") or any other statutory authority in respect of any matter relating to the capital markets.

- The Company has paid a sum of ₹7.50 Lakhs as fees on consolidated basis to the Statutory Auditors and all entities in the network firm / entity of which the Statutory auditors is a part for the services rendered by them.
- Prevention of Sexual Harassment of Women at the Workplace**

The Company has in place a policy on prevention, prohibition and redressal of Sexual Harassment at workplace in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal

Committee has been setup to look after the complaints and requisite disclosures in relation thereto as under:

All employees of the Company are covered under this policy. The details of complaints received and disposed-off during the FY26 is as follows:

Sr. No.	Particulars	Status
1.	Number of complaints pending at the beginning of the FY2025-26	0
2.	No. of complaints received during the FY2025-26	0
3.	No. of complaints resolved during FY2025-26	0
4.	Number of complaints pending at the end of FY2025-26	0

- The Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/ companies in which Directors are interested by name and amount: Nil
- The Company had adopted a Policy on Archival and Preservation of Documents and same is available on the website of Company i.e; <https://udtltd.com/policies/>.
- The Company had adopted a Policy on Determination of Materiality for Disclosures and same is available on the website of Company i.e; <https://udtltd.com/policies/>.
- The Company's Policy relating to determination of Material Subsidiaries is available on the website of Company i.e; <https://udtltd.com/policies/>.
- All related party transactions entered into with related parties as defined under the Act and Regulation 23 of the SEBI Listing Regulations, each as amended, during the year under review were on an arm's length price basis and in the ordinary course of business. These have been approved by the Audit Committee and by the shareholders of the Company, where required, in terms of provisions of the SEBI Listing Regulations. Certain transactions which were repetitive in nature were approved through omnibus route by the Audit Committee.
- The Company has entered into materially significant related party transaction that have potential conflict with the interest of the Company at large. The Policy on Related Party Transactions as approved by the Board of Directors from time to time is uploaded on the Company's website at <https://udtltd.com/policies/>.

11. All the requirements of corporate governance report of sub paragraphs (2) to (10) Para C of Schedule V of the Listing Regulations has been duly complied with.
12. The Company has complied with requirements specified in Regulation 17 to 27 and clause (b) to (i) of Sub regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
13. There is no such agreement under clause 5A of paragraph A of Part A of Schedule III of SEBI (LODR) Regulations 2015.
14. **Adoption of discretionary requirements specified in Part E of Schedule II of the Listing Regulations:** The Company has complied with all the mandatory requirements prescribed under SEBI Listing Regulations and also adopted the following non-mandatory requirements:
 - (i) The Company have a non-executive Chairman as on March 31, 2026.
 - (ii) As the quarterly and half yearly financial performance along with significant events are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.
 - (iii) The Statutory Auditors of the Company have issued Audit Report on Audited Financial Statements (Standalone & Consolidated) for the financial year ended March 31, 2026 with unmodified opinion. A declaration has submitted to the stock exchanges as per Regulation 33(3) (d) of the Listing regulations.
 - (iv) Internal Auditors of the Company, make quarterly presentations to the audit committee on their reports.
 - (v) Separation of Chairperson and Managing Director is not mandatory as per SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2022.

For and on behalf of Board of
United Drilling Tools Limited

Sd/-
Pramod Kumar Gupta
 Chairman
 DIN: 00619482

Date: 10/08/2026
 Place: Noida

"Annexure-9"**COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

To,
The members
United Drilling Tools Limited
(CIN: L29199DL1985PLC015796)

I have examined the compliance of conditions of Corporate Governance by United Drilling Tools Limited ("the Company"), for the financial year ended March 31, 2026, as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Balraj Sharma & Associates

Company Secretaries
Firm's UIN P2023DE097700

Sd/-

Varun Sharma
(Partner)

M. No – ACS- 21011
UDIN: A021011H001017358

Date: 04.08.2026
Place: Delhi

"Annexure-10"

STATEMENT OF PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under section 197(12) of the Companies At, 2013 read with rule 5(1), 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Part A

- i. Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the FY 2025-26 and % increase in the remuneration of each Director, CFO and CS during the FY 2025-26 are as under:

Sr. No.	Name of Director / KMP	Designation	% increase / (Decrease) in Remuneration in the Financial Year 2025-26	Ratio of remuneration of each Director/to median remuneration of employees
1.	Mr. Kanal Gupta,	Managing Director	(17.74)	9.41:1
2.	Mr. Inderpal Sharma,	Executive Director	10.49	3.29:1
3.	Mr. Manoj Kumar Arora,	Chief Financial Officer	6.28	4.84
4.	Mr. Anand Kumar Mishra,	Company Secretary	8.08	3.20

- ii. % Increase in the median remuneration of employees during the FY 2025-26 – 23.62%
- iii. Number of permanent employee on the rolls of the Company – 148
- iv. Median remuneration of employees of the Company - ₹4,19,578/-
- v. It is hereby affirmed that the remuneration paid as per remuneration policy for Directors, Key managerial Personnel and other employees of the Company.

Part B

- i. Names of top ten employee in terms of remuneration drawn during the year:

Sr. No.	Name of Employee & Age	Qualification	Designation	Remuneration (₹ In Lakh)	Date of Joining	Experience	Last Employment
1	Mr. Kanal Gupta, 44 Yrs	MBA (Finance & Intt. Marketing)	Managing Director	39.48	28/02/2015	19 Years	First Company
2	Mr. Ajit Kumar, 43 Yrs	B. Tech Mechanical Engg.	DGM - Operation	23.91	23/07/2018	20 Years	Advance valves Group LLP
3	Siddharth Godayal, 39 Yrs	MBA in Oil & Gas (Upstream)	DGM Sales & Marketing	21.57	06/10/2023	17 Years	Ven Consulting
4	Mr. Manoj Kumar Arora, 52 Yrs	B.Com (H) & CA	Chief Financial Officer	20.30	01/11/2022	25 Years	TTGA Pvt. Ltd.
5	Mr. Dinanath Agrahari, 44 Yrs	B. Tech & MBA	AGM- Design & Operation	15.31	28/06/2024	20 Years	Yerik International
6	Imran Husain, 42 Yrs	B. Tech & MBA	DGM Design & Operation	14.56	14/07/2023	18 Years	Action Construction Equipment Ltd.
7	Mr. Inderpal Sharma, 56 Yrs	Intermediate	Sr. Plant In-charge	13.79	17/07/1995	31 Years	First Company
8	Mr. Binay Kumar Choudhary, 48 Yrs	B.Sc (Math), Diploma in Mech. Engg.	Sr. AGM - Purchase	13.48	22/12/2014	20 Years	Good Luck Engineering Works

Sr. No.	Name of Employee & Age	Qualification	Designation	Remuneration (₹ In Lakh)	Date of Joining	Experience	Last Employment
9	Mr. Khaliq Ahmed, 53 Yrs	B.E. (Mechanical)	DGM – QC & QMS	13.48	20/10/2020	32 Years	Al Jazira Pipe Industries & Oil Services Co. LLC
10	Mr. Anand Kumar Mishra, 50 Yrs	LL.B, & CS	Company Secretary	13.43	14/08/2023	22 Years	Morgan Ventures Limited

- ii. Employed throughout the year and was in receipt of remuneration for the Financial Year in aggregate of not less than ₹1,02,00,000/- P.A. : None, Except as included in Section (i) (1), above.
- iii. Employed part of the year and were in receipt of remuneration for the Financial year in aggregate of not less than ₹8,50,000/- P.A. : None.
- iv. Employed throughout the financial year or part thereof, was in receipt of remuneration in that period, in aggregate, or as the case may be, at a rate which, in aggregate, is in excess of remuneration drawn by Chairman-cum-Managing Director or Whole Time Director or Manager and holds by himself or along with his spouse and dependent Children, not less than 2% of the equity shares of the Company: None

Note: Mr. Pramod Kumar Gupta is the father of Mr. Kanal Gupta and are related to each other. None of the other Employees are Relatives of any Director or Manager.

For and on behalf of Board of
United Drilling Tools Limited

Sd/-

Pramod Kumar Gupta
 Chairman
 DIN: 00619482

Date: 10/08/2026
 Place: Noida

"Annexure-11"**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The disclosures required to be made under Section 134(3) (m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 on the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given as under:

A. CONSERVATION OF ENERGY

UDTL remains strongly committed to energy conservation and continues to take proactive measures to improve energy efficiency across its operations. Although the Company's operations involve relatively low energy consumption, considerable attention is given to optimising energy usage through improved operational practices and efficient processes.

The Company will continue its efforts to conserve energy and enhance the efficiency of its operations through appropriate measures and improved methods. These initiatives contribute to reducing overall energy consumption and, consequently, help in controlling the cost of production.

The Company continuously endeavours to minimise energy consumption by promoting efficient utilisation of energy resources and undertaking timely maintenance and upgradation of energy-efficient equipment and devices.

During the year under review, there was no capital investment in energy conservation equipment.

B. TECHNOLOGY ABSORPTION

The Company has undertaken several significant initiatives in the area of Research and Development (R&D) and continues to focus on developing new products while enhancing the performance, quality, and efficiency of its existing product portfolio.

During FY 2025-26, a key focus of the Company's R&D activities was the development of additional sizes of connectors and new types of tools for use in the Oil & Gas industry. These initiatives are aimed at addressing evolving industry requirements and strengthening the Company's product capabilities.

The Company recognises that the adoption of advanced technology is essential for enhancing product quality, improving productivity, and promoting environmentally responsible operations. Accordingly, it continues to adopt modern technologies, equipment, and processes across its business operations to improve the quality and efficiency of its products and services.

The Company also continues to enhance its technological capabilities in the manufacturing of oil drilling equipment and tools by participating in seminars and conferences and through regular interactions with foreign suppliers and technology collaborators. Such engagements facilitate the absorption, adaptation, and development of new technologies and enable the Company to remain responsive to changing industry requirements.

Through its continued focus on innovation and technological advancement, the Company strives to strengthen its competitive position, improve operational excellence, and deliver greater value to its customers and other stakeholders. Its commitment to continuous improvement enables it to remain at the forefront of technological developments within the industry.

Expenditure on Research and Development:

A.	Capital	1,77,46,345
B.	Recurring (Gross)	Nil
C.	Total	1,77,46,345
D.	Total R&D expenditure as percentage of total turnover	0.97%

FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Forex management is an important mechanism which reflects the economy strength of any Country which was decided by the export and import ratio of products, hence the Company has continued to maintain its focus and availed export opportunities based on economic consideration.

Particulars	2025-26 (₹ In Lakh)	2024-25 (₹ in Lakh)
Foreign Earning at FOB value	803.48	3011.78
Outgo: Total foreign Exchange outgo including cost of imported material	1266.45	1053.20

For and on behalf of Board of
United Drilling Tools Limited

Date: 10/08/2026
 Place: Noida

Sd/-
Pramod Kumar Gupta
 Chairman
 DIN: 00619482

"Annexure-12"

Business Responsibility and Sustainability Report (BRSR)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

I-1	Corporate Identity Number (CIN) of the Company	L29199DL1985PLC015796
I-2	Name of the Listed Entity	UNITED DRILLING TOOLS LIMITED
I-3	Year of incorporation Date	24/05/1985
I-4	Registered office address	139A, First Floor, Antriksh Bhawan, 22 Kasturba Gandhi Marg, New Delhi - 110001
I-5	Corporate address	26 th Floor, Astrails Tower Supernova Complex, Sector -94, Noida – 201301, Distt. Gautam Budh Nagar, Uttar Pradesh
I-6	E-mail	compsect@udtltd.com
I-7	Telephone	0120-4162715, 4842400
I-8	Website	www.udtltd.com
I-9	Financial year for which reporting is being done	April 1, 2025 - March 31, 2026
I-10	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India (NSE) Ltd.
I-11	Paid-up Capital	2,03,03,126 equity shares of ₹ 10/- each fully Paid-up i.e; ₹20,30,31,260/-
I-12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name – Nikhil Gupta Email id :- compsect@udtltd.com Contact - +91-8750055919
I-13	Reporting boundary	Standalone basis
I-14	Whether the company has undertaken reasonable assurance of the BRSR Core?	Not Applicable
I-15	Name of Assurance Provider	Not Applicable
I-16	Type of assurance obtain	Not Applicable

II. Products/services

II-17. Details of business activities (accounting for 90% of the turnover):

S. No	Description of Main Activity	Description of Business Activity	NIC Code	% of Turnover of The Entity
1	Casing Pipe With Connector and Wireline Winches	Manufacturing and sale of Oil Drilling tools and Equipment's.	28221	100

II- 18. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No	Product/Service	NIC Code	% of total Turnover contributed
1	Casing Pipe With Connector and Wireline Winches	28221	100

III Operations

III-19. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	4	2	6
Number of plants:			
1. C-41, Sector -81, Noida - 201305 Distt. Gautam Budh Nagar, Uttar Pradesh			
2. Plot No. 523, New Area, KSEZ, Gandhidham, Kutch – 370230, Gujarat			
3. Plot No. 129G/25-26, Noida Special Economic Zone (NSEZ) – 201305, Distt. Gautam Budh Nagar, Uttar Pradesh			
4. Plot No. 424/P1 & P2 Luni, Luni to Gundala Road, Mundra – Kutch - 370410, Gujarat			
Number of offices:			
1. Registered office: New Delhi			
2. Corporate / Head office: Noida			
3. Technical centre at Noida			
International	0	0	0
Number of Plants: NIL			
Number of offices: NIL			

III-20. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	8 (Eight)
International (No. of Countries)	16 (Sixteen)

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The overall contribution of the exports to the total turnover is 4.49% for FY 2025-26.

c. A brief type of customers

United Drilling Tools Limited are engaged in the manufacturing of high-tech machines and tools such as wire-line winch units, artificial gas lift equipment, down hole tools and high-performance connectors, being used in the oil, gas, drilling and allied industries.

Manufacturing facilities have the most advanced machines and include four-major sections - Machine shop with CNC and Special-purpose lathes, VTL's, VMC's Milling machines, Drilling machines, Cylindrical grinders etc. Fabrication, assembly and testing shops.

Design, research, development and engineering Department - Quality assurance department to provide destructive testing's such as Tensile test, impact test and hardness test and non-destructive testing such as ultrasonic magnaflux, phased array, dye-penetration and Radiography. Testing facilities include Tension, compression, bending, internal and external pressure testing machines & fixtures.

The manufacturing facilities have been designed to deliver high quality products of proven designs in conformity with international standards as per ISO 13679:2019 ,ISO 9001:2005, ISO 45001:2018, 14001:2015, and are certified by the American Petroleum Institute (API License No. 5B-0391, 5CT-0565, 5L-0424, 7-1-0393, 07-02-0851, 19G1-008 & 19G2-0010).

Our Domestic and Global customer base includes ONGC, Oil India, Focus Energy, Jindal Drilling, Welspun, Halliburton, Schlumberger, Shelf Drilling, American Completion Tools Inc., Argentera, Petrobras, Cactus, Baker Hughes, Cairn Oil & Gas (Vedanta), Megitech Energy, Tiwan, Trident Russia, Quippo Energy etc.

IV Employee

IV-21. Details as at the end of Financial Year:

A. Employees and workers including differently abled

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	148	145	97.97%	03	2.03%
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total employees (D + E)	148	145	97.97%	03	2.03%
WORKER						
1.	Permanent (D)	23	23	100%	-	-
2.	Other than Permanent (E)	92	92	100%	-	-
3.	Total employees (D + E)	115	115	100%	-	-

IV-21. Details as at the end of Financial Year:

B. Differently abled employees and workers

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	NIL	NIL	NIL	NIL	NIL
2.	Other than Permanent (E)	NIL	NIL	NIL	NIL	NIL
3.	Total differently abled employees (D + E)	NIL	NIL	NIL	NIL	NIL
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	NIL	NIL	NIL	NIL	NIL
5.	Other than permanent (G)	NIL	NIL	NIL	NIL	NIL
6.	Total differently abled workers (F + G)	NIL	NIL	NIL	NIL	NIL

IV-22. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	16.67%
Key Management Personnel	4	0	0.00%

IV-23. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2025-26 (Turnover rate in current FY)			FY 2024-25 (Turnover rate in previous FY)			FY 2023-24 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	7.00	0	7.00	7.50	0	7.50	7.00	0	7.00
Permanent Workers	23.00	0	24.00	24.00	0	24.00	22.00	0	22.00

V Holding, Subsidiary and Associate Companies (including joint ventures)

V-24. a) Names of holding / subsidiary / associate companies / joint ventures

Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	New Name	% Of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
M/s P Mittal Manufacturing Private Limited	Subsidiary company	NA	100%	No

VI CSR Details

VI-25. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) – **Yes**

VI-25 (ii) Turn-over (in lacs) – ₹18,651.73

VI-25 (iii) Net Worth (in lacs) – ₹27,833.93

VII Transparency and Disclosure

VII-26. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No/NA)	FY 25-26 Current Financial Year			FY 24-25 Previous Financial Year		
	(If Yes, then provide web-link for grievance redress policy)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Investors (other than shareholders)	Yes finance@Udtltd.com	Nil	Nil	NA	Nil	Nil	NA
Shareholder	Yes, Shareholders grievance mechanism	2	0	NA	1	0	NA
Employees and workers	Yes, HR@udtltd.com	The company has established department-specific grievance mechanisms to address concerns raised by employees, customers, and partners. A comprehensive Code of Conduct ensures fair, transparent, and ethical interactions. Grievances are handled through accessible and confidential channels, with timely resolution and independent review where required. Feedback is regularly analyzed to improve processes and prevent recurrence, fostering a respectful and accountable environment.					
Communities	Yes						
Customers	Yes, Enquiry@udtltd.com						
Value Chain Partners	Yes Enquiry@udtltd.com	No grievances other than those that may occur in the normal course of business.					
Other (Please specify)		None					

VII-27. Overview of the entity's material responsible business conduct issues:-

The material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, which is as under

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate Positive or negative implications)
1	Product Innovation, safety and quality	opportunity	The sector presents substantial growth potential, driven by innovation, product quality, consumer safety, and evolving customer preferences. Businesses that focus on these areas can strengthen consumer trust and loyalty while creating opportunities for expansion into global markets, supported by India's growing manufacturing capabilities and improving regulatory framework.	NA	Positive
2.	Customer Satisfaction	Opportunity	Its Enables the company to better understand and address customer needs, enhancing satisfaction and loyalty while supporting sustainable business growth and market expansion.	NA	Positive
3.	Corporate Governance - Board oversight Conflict of Interest, Ethics, Risk and Compliance	Risk	The Company is committed to strengthening corporate governance through effective Board oversight, ethical business practices, regulatory compliance, and healthy risk management. These practices support transparency, stakeholder confidence, and sustainable long-term growth.	UDTL follows strong corporate governance practices with effective Board oversight, ethical business conduct, regulatory compliance, and proactive risk management. These measures help the Company manage risks, build stakeholder trust, and support sustainable long-term growth.	Negative
4.	Air Emissions Management	Risk	Air emissions management is an important focus for the Company. The Company is committed to effective monitoring, strong control measures, and reducing its environmental impact while safeguarding the health and well-being of employees and stakeholders..	The Company takes proactive measures to manage air emissions through effective controls, regular monitoring, cleaner technologies, and regulatory compliance, with a focus on reducing environmental and health impacts..	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate Positive or negative implications)
5.	Water Management	Risk	Water is an important resource for the Company's operations. The Company focuses on responsible water use and conservation to minimise water-related risks, support business continuity, and maintain positive stakeholder relationships.	UDTL manages water scarcity risks by following the principles of Reduce, Reuse, Recycle, and Recover, using efficient technologies and maximizing the reuse of treated wastewater to conserve freshwater and promote sustainable water management .	Negative
6.	Health and Safety Risk	Risk	UDTL's workforce is a key contributor to the Company's success. UDTL prioritizes the health, safety, and well-being of its employees and surrounding communities. Strong safety practices and compliance measures help reduce operational risks, ensure business continuity, and maintain stakeholder trust and the Company's reputation.	UDTL is committed to ensuring a safe and healthy workplace for its employees and nearby communities, following a 'No Harm' approach. The Company regularly monitors safety performance and provides necessary training and health check-ups, particularly for employees working in dusty or noisy areas. Pre-employment medical examinations are also conducted for all employees to support their health and well-being.	Negative
7.	Community Engagement and Development	Opportunity	Society is an important stakeholder for UDTL. UDTL believes in maintaining open engagement and building trust with local communities to strengthen relationships, support social well-being, and create long-term shared value.	Society is an important stakeholder for UDTL. Through its CSR initiatives, UDTL supports community development, education, healthcare, livelihood enhancement, and environmental sustainability. The Company engages with local communities to understand their needs, build trust, and create meaningful long-term social impact.	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURE

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

P1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.
P2	Businesses should provide goods and services in a manner that is sustainable and safe.
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains.
P4	Businesses should respect the interests of and be responsive to all its stakeholders.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect and make efforts to protect and restore the environment.
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
P8	Businesses should promote inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and Management Process									
1. (a) Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
(b) Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
(c) Web Link of the Policies, if available	UNITED DRILLING TOOLS LIMITED has inculcated various policies throughout its business conduct to align themselves with all the regulatory guidelines and it is available on the company's website Link: https://udt ltd.com/policies/								
2. Whether the entity has translated the policy into procedures	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	N	N	N	N	N	N	N	N	N
4. Name of the national and international codes /certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The organization abides by all the applicable laws and standards for the above given principles. The manufacturing facilities have been designed to deliver high quality products of proven designs in conformity with international standards as per ISO 13679:2019, ISO 9001:2005, ISO 45001:2018, ISO 14001:2015, and are certified by the American Petroleum Institute (API License No. 5B-0391, 5CT-0565, 5L-0424, 7-1-0393, 07-02-0851, 19G1-008 & 19G2-0010).								
5. Specific commitments, goals, and targets set by the entity with defined timelines, if any.	UDTL has set clear goals and time-bound targets to strengthen its sustainability efforts. The Company continues to focus on good governance, meaningful CSR initiatives, and regular stakeholder engagement. UDTL also ensures that waste is responsibly managed and disposed of through environmentally sound practices, supporting its commitment to sustainable operations.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Not Applicable								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	At United Drilling Tools Limited (UDTL), we are committed to integrating ESG principles into our business and operations. Our key focus areas include reducing air emissions, conserving water, responsible waste management, employee safety and well-being, and strengthening CSR initiatives in education, healthcare, and community development. During the reporting period, UDTL made progress in water reuse, workplace safety, community engagement, and governance practices. We continue to improve our processes, adopt responsible practices, and work towards creating sustainable long-term value for our stakeholders.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Inderpal Sharma, Executive Director								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. Executive Director is driving the ESG of the organization. ESG Committee formation is under process.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director /Committee of the Board/Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Yes									At regular intervals as required								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes. We comply with all applicable laws of the land we operate in.									At regular intervals as required								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	Yes, external assessment was carried out by our Statutory Auditor, Internal Auditors and Secretarial Auditors, American Petroleum Institute and other technical Auditors.																	

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)	NOT APPLICABLE								
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**PRINCIPLE 1**

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

EI-1 Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	Related party Transactions, CSR, Product Development, SEBI Listing Regulations & Companies Act, 2013	100%
Key Managerial Personnel	8		100%
Employees other than Board of Directors and KMPs	12	Employees receive regular training in skill enhancement, process improvements, soft skills, and safety.	100%
Workers	12	Workers receive regular training in processes, safety, fire fighting, and other technical skills.	100%

EI-2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
Monetary	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty			NIL		
Settlement			NIL		
Compounding Fee			NIL		

Non-Monetary					
Monetary	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment			NIL		
Punishment			NIL		

EI-3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Sr. No.	Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable		

EI-4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, The code of conduct includes rules against corruption and bribery. The company has a Vigil Mechanism as required by the Companies Act, 2013, to ensure compliance with anti-bribery laws. We are dedicated to preventing and detecting unethical practices. This policy applies to all employees, contractors, and suppliers. Our Guiding Principles state that we do not accept gifts or favors from anyone we do business with.

For more details refer the link given below: <https://udtltd.com/policies>

EI-5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2025-26	FY 2024-25
Directors	Nil	Nil
KMPs		
Employees		
Workers		

EI-6. Details of complaints regarding conflict of interest:

	FY 2025-26		FY 2024-25	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA

EI-7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest

Not Applicable

EI-8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

Particulars	2025-26	2024-25
Number of days of accounts payables	33	82

EI-9. Open-ness of business. Provide details of concentration of purchases with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format. Concentration of Purchases-

Parameter	Metrics	2025-26	2024-2025
Concentration of Purchases	a. i) Purchase From Trading Houses	NA	NA
	ii) Total Purchase		
	iii) Purchases from top 10 trading houses as % of total purchases from trading houses		
	b. Number of trading houses where purchases are made from		
	c. i) Purchases from top 10 trading houses		
	ii) Total Purchases from top 10 trading houses		
	iii) Purchases from top 10 trading houses as % of total purchases from trading houses		

Parameter	Metrics	2025-26	2024-25
Concentration of Sales	a. i) Sales to dealers/distributors	NA	NA
	ii) Total Sales		
	iii) Sales to dealers / distributors as % of total sales		
	b. Number of dealers / distributors to whom sales are made		
	c. i) Sales to top 10 dealers / distributors		
	ii) Total Sales to top 10 dealers / distributors		
	iii) Sales to top 10 dealers / distributors as % of total sales to dealers / distributors		

Parameter	Metrics	2025-26 (₹ in Lacs)	2024-25 (₹ in lacs)
Share of RPTs in	a. i) Purchases (Purchases with related parties / Total Purchases)	145.41	292.83
	ii) Total Purchase	10668.36	6,886.51
	iii) Purchases (Purchases with related parties as % of Total Purchases)	1.36%	4.25%
	b. i) Sales (Sales to related parties)	818.51	32.03
	ii) Total Sales	18195.73	17,215.66
	iii) Sales (Sales to related parties as % of Total Sales)	4.50%	18.60%
	c. i) Loans & advances given to related parties	1,150	1,150
	ii) Total loans & advances	1,150	1,150
	iii) Loans & advances given to related parties as % of Total loans & advances	100%	100%
	d. i) Investments in related parties	126.07	126.07
	ii) Total Investments made	126.07	126.07
	iii) Investments in related parties as % of Total Investments made	100%	100%

Leadership Indicators

LI-1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total no of awareness programmes held	Topics/principles covered in training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
NOT APPLICABLE		

LI-2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/ No) If yes, provide details of the same.

Yes, the policy on Code of Conduct for Directors and Senior Management expects that all its Senior Management team discloses potential conflicts of interest that they may be there regarding any matter and comply with applicable laws and guidelines. We are processes in place to avoid and manage conflicts of interest involving members of the Board.

All Board members submit disclosure of their interest in other entities pursuant to Section 184 of the Companies Act, 2013 at the first Board Meeting of every financial year and also as & when there is a change in previous disclosure made. The Company also prepares a Related Party List pursuant to provisions of Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, which is being monitored to check proposed related party transactions/potential conflict of interest and ensures prior approvals of the Board/Audit Committees/Shareholders as the case may be, are in place. The company is committed to identifying and managing conflicts of the interest to ensure the highest level of ethical standards. Website:- <https://udtltd.com/code-of-conduct>.

PRINCIPLE 2:

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

EI-1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

A portion of our Research and Development (R&D) and capital expenditure (capex) investments is strategically directed toward technologies, processes, and solutions that contribute to improved environmental and social outcomes.

The annual report presents the allocation of R&D expenditure under the relevant capital and revenue expenditure categories. These expenditures have been appropriately classified based on their nature and purpose. However, given the interconnected nature of R&D activities, projects, and related investments, a clear and precise segregation between capital and revenue expenditure can, in certain cases, be practically challenging.

Accordingly, while reasonable efforts are made to ensure appropriate classification and reporting, some R&D investments may support multiple objectives or involve both capital and revenue components. The reported allocations should therefore be viewed in the context of the overall R&D investment framework and the integrated nature of the underlying activities.

Segment	FY 2025-26	FY 2024-25
R&D	100%	100%
Capex	3.00	3.00

EI-2. (a) Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes.

EI-2 (b) If yes, what percentage of inputs were sourced sustainably?

100.00

EI-3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The company is working towards achieving a circular economy by ensuring the use of the 3R principle of Reduce, Reuse and Recycle. This principle has helped in optimizing resource utilization with minimal environmental impact.

Since, products are integrated into various end-use items, it is impractical to reclaim them individually at the end of their life cycle.

EI-4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not Applicable

Leadership Indicators**LI-1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

Currently, the company has not conducted any Life Cycle Perspective / Assessments (LCA) for any of its products.

LI-2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

S. No.	Name of Product / Service	Description of the risk / concern	Action Taken
No significant social and environmental risks arises			

LI-3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Not Applicable

LI-4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Not applicable

LI-5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Not applicable

PRINCIPLE 3:

Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators**EI-1 (a) Details of measures for the well-being of employees:**

Category	Total (A)	% of Employees covered									
		Health insurance care facilities		Accident insurance		Maternity Benefits		Paternity benefits		Day care facilities	
		No. (B)	(B/A) %	No. (C)	(C/A) %	No. (D)	(D/A) %	No. (E)	(E/A) %	No. (F)	(F/A) %
		Permanent Employees									
Male	145	145	100%	145	100%	NA	NA	NA	NA	NA	NA
Female	03	03	100%	03	100%	NA	NA	NA	NA	NA	NA
Total	148	148	100%	148	100%	NA	NA	NA	NA	NA	NA

% of Employees covered											
Category	Total (A)	Health insurance care facilities		Accident insurance		Maternity Benefits		Paternity benefits		Day care facilities	
		No. (B)	(B/A) %	No. (C)	(C/A) %	No. (D)	(D/A) %	No. (E)	(E/A) %	No. (F)	(F/A) %
Other than Permanent employees											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

EI-1 (b) Details of measures for the well-being of workers:

The following table provides a percentage of workers (Permanent workers & Other than Permanent workers) covered under the well-being measures in the reporting year.

% of workers covered											
Category	Total (A)	Health insurance care facilities		Accident insurance		Maternity Benefits		Paternity benefits		Day care facilities	
		No. (B)	(B/A) %	No. (C)	(C/A) %	No. (D)	(D/A) %	No. (E)	(E/A) %	No. (F)	(F/A) %
Permanent workers											
Male	23	23	100%	NA	NA	NA	NA	NA	NA	NA	NA
Female	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA
Total	23	23	100%	NA	NA	NA	NA	NA	NA	NA	NA
Other than Permanent workers											
Male	92	0	0	92	100%	NA	NA	NA	NA	NA	NA
Female	0	0	0	0	0	NA	NA	NA	NA	NA	NA
Total	92	0	0	92	100%	NA	NA	NA	NA	NA	NA

EI-1. (c) Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

Particulars	2025-26	2024-25
Cost incurred on well-being measures as a % of total revenue of the company	0.26	0.0015

EI-2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 25-26 Current Financial Year			FY 24-25 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100% of the applicable employees, as per the relevant Act	100% of the applicable employees, as per the relevant Act	Yes	100% of the applicable employees, as per the relevant Act	100% of the applicable employees, as per the relevant Act	Yes
Gratuity	100% of the applicable employees, as per the relevant Act	100% of the applicable employees, as per the relevant Act	Yes	100% of the applicable employees, as per the relevant Act	100% of the applicable employees, as per the relevant Act	Yes
ESI	4% of the applicable employees, as per the relevant Act	35% of the applicable employees, as per the relevant Act	Yes	25% of the applicable employees, as per the relevant Act	18% of the applicable employees, as per the relevant Act	Yes
Others please specify	Not Applicable					

EI-3. Accessibility of Workplace-

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the premises of Company constructed in a way that is accessible to differently abled workers and employees and are as per the requirements of the Rights of Persons with Disabilities Act, 2016.

EI-4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The company has constantly been working on providing equal opportunity and promoting equal rights. It is very strict with its anti-discrimination stands. The company has an holistic approach towards providing employment opportunities at plant and office location based on the nature of disabilities.

EI-5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	NA	NA	NA	NA
Total	NA	NA	NA	NA

EI-6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Yes. The Board of Directors of the Company has adopted POSH- (Prevention of Sexual Harassment Act), CoC- (Code of Conduct), for all classes of permanent employees and workers. All the employees and workers can report the human rights abuses through

dedicated channels. And also Whistle Blower Policy in place to establish a vigil mechanism for the Directors, employees, vendors and dealers of the Company, to report genuine concerns or grievances.

The link to the same is available on Company's website at: <https://udtltd.com/policies>

	If yes, give details of the mechanism in brief (Yes/No)
Permanent workers	At our organization, every individual whether a permanent employee or worker is encouraged to raise concerns and report grievances without hesitation. A dedicated committee, supported by clearly defined Standard Operating Procedures (SOPs), ensures that all grievances are addressed promptly, fairly, and effectively. Our operations are grounded in a strong commitment to human rights, reflected in a comprehensive policy framework that includes our Code of Conduct, Prevention of Sexual Harassment (POSH) guidelines, and Whistle-blower Policy. These measures collectively provide a healthy mechanism for resolving issues within defined timelines. We attempt to maintain a workplace culture built on trust, accountability, respect, and safety, where every voice is valued and every concern receives due attention.
Other than Permanent workers	
Permanent Employees	
Other than permanent Employees	

El- 7 . Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union(B)	% (B / A)	Total employees /workers irrespective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union(D)	% (D / C)
Total Permanent Employees	148	0	0%	165	0	0%
Male	145	0	0%	162	0	0%
Female	3	0	0%	3	0	0%
Total Permanent Workers	23	0	0%	29	0	0%
Male	23	0	0%	29	0	0%
Female	0	0	0%	0	0	0%

El-8. Details of training given to employees and workers:

Category	Total FY26	Health and safety	Skill Development	Total FY25	Health and safety	Skill Development				
Employees										
Male	145	145	100%	145	100%	162	162	100%	162	100%
Female	03	03	100%	03	100%	03	03	100%	03	100%
Total	148	148	100%	148	100%	165	165	100%	165	100%
Workers										
Male	23	23	100%	23	100%	29	29	100%	29	100%-
Female	-	-	-	-	-	-	-	-	-	-
Total	23	23	100%	23	100%	29	29	100%	29	100%-

EI-9. Details of performance and career development reviews of employees and worker:

Category	FY 2026			FY2025		
	Total(A)	No.(B)	(B/A)%	Total(A)	No.(B)	(B/A)%
Employee						
Male	145	145	100%	162	162	100%
Female	03	03	100%	03	03	100%
Total	148	148	100%	165	165	100%
Workers						
Male	23	-	100%	29	-	100%
Female	-	-	-	-	-	-
Total	23	-	100%	29	-	100%

EI- 10. Health and safety management system:**(a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such a system?**

Yes. Aligned with its integrated management system, the Company has implemented certified safety management systems at all four manufacturing sites, spare parts departments, and headquarters, covering all employees and workers within a strong occupational health and safety framework. The Company's safety governance, management systems, training, communication, and performance indicators highlight its dedication to safeguarding employees, the environment, and the community.

(b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

We carefully identify work-related hazards and carry out daily Hazard Identification and Risk Assessment (HIRA) to spot potential risks as part of our routine. Our commitment to safety includes:

Systematic Hazard Identification: identify and evaluate work-related hazards using our established procedures for assessing environmental and safety risks and carefully update records of these evaluations in our Aspect and Hazard Evaluation Register.

Constant Vigilance: We continually identify workplace hazards through various methods, including:

- Daily Safety Toolbox Talk: Regular discussions to install safety awareness.
- Daily Safety Inspection: Safety personnel, plant teams, and night duty officers conduct daily inspections.
- Routine Unsafe Condition Identification: Identifying and addressing unsafe conditions and acts.
- Weekly Senior Officer Inspections: Weekly inspections by senior officers to reinforce safety.
- Engagement with Workmen: Weekly shop floor safety meetings to collaborate with our workforce.
- Controlled Work Permits: Work permits issued by plant and safety personnel to ensure safe tasks.
- Safety Observation Tour (SOT): Tours around the plant to maintain safety standards.
- Safety Committee Meetings/Reviews: Regular meetings for safety review and enhancement.
- External Audits and Inspections: Third-party safety inspections and external audits contribute to our rigorous safety approach.

Through these multifaceted approaches, we are steadfast in our commitment to creating a work environment that prioritizes safety and safeguards the well-being of our workforce.

(c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, The Company has established clear processes for workers to report any work-related hazards they encounter. Employees are encouraged to promptly notify management about potential risks. Additionally, if a worker feels that a hazard poses an immediate threat to their safety, they are empowered to remove themselves from the risk area. These procedures ensure that hazards are addressed swiftly and that workers are protected from unsafe conditions.

(d) Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. we offer a comprehensive array of benefits that underscore our commitment to their well-being:

Life Insurance: Provide life insurance coverage to ensure financial security for our employees and their loved ones.(as Term Insurance and Group insurance)

Healthcare: The company care deeply about employees' health and provide strong healthcare benefits to meet their medical needs and support their well-being.

EI-11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 25-26 Current Financial Year	FY 24-25 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL -	NIL -
	Workers	NIL -	
Total recordable work-related injuries	Employees	NIL -	NIL -
	Workers	NIL -	NIL -
No. of fatalities	Employees	NIL -	NIL -
	Workers	NIL -	NIL -
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL -	NIL -
	Workers	NIL -	NIL -

EI-12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

UDTL is committed to creating a safe and positive work environment and use an occupational health & safety (OH&S) Management system at our plants, supported by safety observations, legal compliance, and third-party audits.

EI-13. Provide the number of employees/workers having suffered high consequence work-related injury/ill health/fatalities. Complaints on the following made by employees and workers:

	FY 25-26 (Current Financial Year)			FY 24-25 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-	Nil	-	-	Nil
Health Safety	-	-	Nil	-	-	Nil

EI-14. Assessments for the year:

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Health and safety practices	100%
Working Conditions	100%

EI-15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

The Company promotes safety through a strong management system and safety governance and aim for Zero LTI (Loss Time Injury) with long-term strategies and take proactive action on safety incidents and concerns.

1. Create a team to investigate the root cause of incidents and prevent recurrence.
2. Document the incident and recommended corrective actions.
3. Implement and monitor corrective actions like updating safety procedures, offering more training, or enhancing PPE requirements. No corrective actions were needed or underway during this reporting period.

Leadership Indicators**LI-1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N)**

Yes, the organization ensures that its employees and workers and their families are taken care of in case of any unfortunate situation. some of the initiatives already in place are:

- a. EMPLOYEES: Yes
- b. WORKERS: Yes

LI-2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Not Applicable

LI-3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable Employment	
	FY 2025-26 (Current Financial Year)	FY2024-2025(Previous Financial Year)	FY2025-26 (Current Financial Year)	F2024-Y25 (Previous Financial Year)
Employees	NIL	NIL	NIL	NIL
Workers	NIL	NIL	NIL	NIL

LI-4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes

LI-5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	NOT APPLICABLE
Working Conditions	

LI-6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No corrective actions were taken as no major risks concerns were identified.

Principle 4

Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

EI-1. Describe the processes for identifying key stakeholder groups of the entity.

The company approach focuses on ongoing interaction and insights from various stakeholder groups, including:

Key Groups: Shareholders, investors, customers, local communities, civil society, farmers, and suppliers.

Important Individuals: Employees and workers.

External Influencers: Government agencies, regulatory bodies, industry associations, and the media.

EI-2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees/ Workers	NO	Inter Office Memo, one-to-one counselling, Emails, Meetings	As and when required	To boost morale, to motivate them and to convey information.
Vendors	NO	Meetings, Calls, emails.	As and when required	To develop stronger relationships with vendors and to ensure regular timely supply of material
Customers	NO	Website, Email, Customer visits, Calls, Surveys	As and when required	To understand Customers Preferences and attitude towards the Products
Govt. Regulatory	NO	Email, E-Filings, Newspaper, Advertisements, Websites, Office Visits.	As and when required	To maintain Statutory records and to resolve issues, if any.
Shareholder & Investors	NO	Email, E-Filings, Newspaper, Advertisement, Website, Meetings, Investor conferences	As per regulatory requirements ; on request of shareholders	Understanding investor expectations and clarifying any concerns relating to Company.
Bankers & Financial Institutions	NO	Website, Email, One to one Meetings	As and when required	For working capital facilities or any other short term requirement.

Leadership Indicators

LI-1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company maintains regular and transparent communication with its stakeholders through various channels, including the Annual Report, corporate website, AGM, and direct engagement with the Secretarial Department . These platforms enable stakeholders to stay informed about the Company's strategy, business performance, ESG priorities, and other key developments.

The Stakeholders Relationship Committee (SRC) oversees shareholder communication and addresses their queries and grievances. The CSR Committee monitors the Company's CSR and sustainability-related initiatives. Through these structured mechanisms, the Company promotes transparency, timely communication, and meaningful stakeholder engagement. Feedback and suggestions received from stakeholders are considered in the Company's decision-making process, helping ensure that business priorities remain aligned with stakeholder expectations.

LI-2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

YES, The Company recognizes the importance of engaging with stakeholders to ensure that its ESG strategies and goals remain relevant and effective. Stakeholder feedback is considered while developing key policies, initiatives, and business activities. This ongoing engagement helps the Company better understand stakeholder expectations, identify emerging concerns, and address material ESG risks and opportunities. By incorporating these insights into decision-making, the Company aims to strengthen its sustainability practices and create long-term value for all stakeholders.

LI-3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

The Company engages with diverse stakeholders through structured interactions and feedback mechanisms to identify and address material issues effectively. Stakeholder concerns and perspectives are considered in decision-making to promote responsible business practices.

The Company's CSR initiatives, primarily focused on the Delhi/NCR region, support vulnerable and marginalized communities through programs in women's empowerment, poverty alleviation, skill development, education, livelihoods, rural development, and environmental conservation, contributing to inclusive and sustainable growth.

PRINCIPLE 5

Businesses should respect and promote human rights

Essential Indicators

EI-1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total (A)	No. of employees/ worker s covered (B)	% (B / A)	Total (C)	No. of employees / worker s covered (B)	% (D / C)
Employees						
Permanent	148	148	100%	165	165	100%
Other than permanent	-	-	-	-	-	-
Total Employees	148	148	100%	165	165	100%
Workers						
Permanent	23	23	100%	29	29	100%
Other than permanent	92	-	0%	158	-	0%
Total Workers	115	23	20%	187	29	15.51%

All the employees and workers are given trainings on human rights, safety and Code of Conduct on a periodic basis.

EI-2 Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025-26 Current Financial Year					FY 2024-25 Previous Financial Year				
	Total (A)	Equal to minimum wages		More than Minimum Wage		Total (D)	Equal To minimum wages		More than minimum wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F/D)
Employees										
Permanent	148	2	1.35%	146	98.65%	165	2	1.31%	162	98.79%
Male	145	2	1.38%	143	98.62%	162	2	1.21%	162	98.79%
Female	3	0	0%	3	100%	3	0	0%	3	100%
Other than Permanent	0	0	0%	0	0%	0	0	0%	0	0%
Male	0	0	0%	0	0%	0	0	0%	0	0%
Female	0	0	0%	0	0%	0	0	0%	0	0%
Category	FY 2025-26 Current Financial Year					FY 2024-25 Previous Financial Year				
	Total (A)	Equal to minimum wages		More than Minimum Wage		Total (D)	Equal To minimum wages		More than minimum wage	
		No.(B)	% (B / A)	No.(C)	% (C / A)		No.(E)	% (E/D)	No.(F)	% (F/D)
Workers										
Permanent	23	0	0%	23	100%	29	10	34.48%	19	65.52%
Male	23	0	0%	23	100%	29	10	34.48%	19	65.52%
Female	0	0	0%	0	0%	0	0	0%	0	0%
Other than Permanent	92	0	0%	92	100%	158	52	32.91%	106	67.09%
Male	92	0	0%	92	100%	158	52	32.91%	106	67.09%
Female	0	0	0%	0	0%	0	0	0%	0	0%

EI-3a. Details of remuneration/salary/wages, in the following format:

Category	Male		Female	
	Number	Median remuneration (In INR)	Number	Median remuneration (In INR)
Board of Directors (BoD)	3	1,50,000	1	200000
Key Managerial Personnel	4	20,30,000	-	-
Employees other than BoD and KMP	145	4,19,578	3	5,67,733
Workers	115	-	-	-

EI-3. b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	2025-26	2024-25
Gross wages paid to females as % of total wages	1.70%	1.99%

EI-4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes.

EI-5. Describe the internal mechanisms in place to redress grievances related to human rights issue.

A work committee made up of leaders from different departments makes sure workers at the plant are safe and healthy. This committee reports to the Plant Head. Additionally, the Department Head are responsible for respecting human rights, avoiding any human rights abuses, and setting up a way to handle and resolve complaints from affected parties.

EI-6. Number of Complaints on the following made by employees and workers:

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Filed during the year	Pending resolutions at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL	NIL		NIL	NIL	
Discrimination at workplace						
Child Labour						
Forced Labour/Involuntary Labour						
Wages						
Other Human Rights related issues						

EI-7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Particulars	2025-26	2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	NIL	NIL
Complaints on POSH as a % of female employees / workers	NIL	NIL
Complaints on POSH upheld	NIL	NIL

EI-8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company is committed to maintaining a safe, inclusive, and respectful workplace where everyone is treated with dignity and equality. Our POSH Policy provides clear guidelines to prevent and address sexual harassment and discrimination. A duly constituted POSH Committee oversees the process and ensures that complaints are handled promptly, fairly, and confidentially. This framework reinforces our commitment to a workplace free from harassment and misconduct.

EI-9.. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. The Company incorporates human rights and safe working condition requirements into its agreements and contracts. Our Supplier Code of Conduct requires suppliers to comply with applicable laws and respect human rights across the supply chain. The Company also follows the principles of the UN Global Compact, covering areas such as child and forced labour, health and safety, freedom of association, non-discrimination, working hours, fair compensation, and responsible workplace practices.

EI-10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	Assessed by HR department through internal assessment
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

EI-11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Not Applicable

Leadership Indicators
LI-1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

The Company has not received any human rights-related grievances during the reporting period. To address potential concerns proactively, clear guidelines are in place to prevent human rights violations, along with a dedicated grievance redressal mechanism. This enables timely reporting, monitoring, and resolution of any concerns that may arise.

LI-2. Details of the scope and coverage of any Human rights due-diligence conducted.

Our process for checking human rights involves doing risk assessments and using several important policies like the whistle blower policy and workplace ethics policy. This thorough program applies to all our permanent and contract employees. It helps us find any weak spots and potential human rights issues and address them.

LI-3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the premises/office of the entity is accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

LI-4. Details on assessment of value chain partners:

Category	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Assessed by HR department through internal assessment
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

LI-5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

No violation was observed during FY 2025-26.

Principle 6**Businesses should respect and make efforts to protect and restore the environment****Essential Indicators**

EI-1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:
Figure In MJ

Parameter	FY 25-26 (Current Financial Year)	FY 24-25 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	790.974 MJ	29,37,852
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	2,04,000
Total energy consumption (A+B+C)	790.974 MJ	31,41,852
From non-renewable sources		
Total electricity consumption (D)	-	-
Total fuel consumption (E)	-	-
Energy consumption through other sources (F)	-	-
Total energy consumption (D+E+F)	-	-
Total energy consumed (A+B+C+D+E+F)	790974 MJ	31,41,852
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.36	0.45
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	-	-
Energy intensity in terms of physical output	-	-

EI- 1 Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
No

EI-2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

The Company does not have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

EI-3. Provide details of the following disclosures related to water, in the following format

Parameter	FY 25-26 (Current Financial Year)	FY 24-25 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	823
(iii) Third party water	80	55
(iv) Seawater / desalinated water	-	-
(v) Others- Water from Municipality	-	-
(vi) Others- Collected rainwater	1570	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1650	878
Total volume of water consumption (in kilolitres)	1650	878

Parameter	FY 25-26 (Current Financial Year)	FY 24-25 (Previous Financial Year)
Water intensity per rupee of turnover (Water consumed / turnover)	1650KL/18,195.73 in INR lacs	878KL/14091.9 in INR lacs
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	1650KL/18,195.73 in INR lacs	878KL/14091.9 in INR lacs
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency - No

EI-4. Provide the following details related to water discharged: Water discharge by destination and level of treatment (in kilolitres).

Parameter	2025-26	2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
No treatment		
With treatment – please specify level of treatment		
(ii) To Ground water		
No treatment		
With treatment – please specify level of treatment		
(iii) To Seawater		
No treatment	0	0
With treatment – please specify level of treatment		
(iv) Sent to third-parties		
No treatment		
With treatment – please specify level of treatment		
(v) Others		
No treatment		
With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

EI-4 Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

No.

Remarks: No water is discharged outside the unit premises.

EI-5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, the entity has implemented a Zero Liquid Discharge (ZLD) mechanism, ensuring 100% water recycling across relevant facilities. The Company has instituted wastewater management system, ensuring zero wastewater discharge into the environment by meticulously recycling and repurposing treated wastewater for internal use.

EI-6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 25-26 (Current Financial Year)	FY 24-25 (Previous Financial Year)
NOx	MT	Below the norms of CPCB	Below the norms of CPCB
SOx	MT	Below the norms of CPCB	Below the norms of CPCB
Particulate matter (PM)	MT	Below the norms of CPCB	Below the norms of CPCB
Persistent organic pollutants (POP)	NA	-	-
Volatile organic compounds (VOC)	NA	-	-
Hazardous air pollutants (HAP)	NA	-	-

EI-6 Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

No.

EI-7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 25-26 (Current Financial Year)	FY 25-26 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent		
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent		
Total Scope 1 and Scope 2 emissions per rupee of turnover	Kg of Co ₂ e / Re		
Total Scope 1 and Scope 2 emission intensity per Rupee of turnover for purchasing Power Parity			Note Applicable
Total Scope 1 and Scope 2 emission intensity in terms of physical Input			
Total Scope 1 and Scope 2 emission intensity (optional) the relevant metric may be selected by the entity			

EI-7 Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency – No**EI-8 Does the entity have any project related to reducing Greenhouse Gas emission? If yes, then provide details.**

Yes, the entity has undertaken various short, medium, and long-term initiatives to reduce Green House Gas (GHG) emissions and work towards achieving a net-zero target such as converting our DG set for power to the CNG sent power generation, regular maintenance of our plant etc.

EI-9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 25-26 (Current Financial Year)	FY 24-25 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0.011 Tons	1.02 Tons
E-waste (B)	1.84Tons	8.7 Tons
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0.18 Tons	25 Nos
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any (G)	0.10 Tons	2050 Kg
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	30 Tons Metal Scrap, 385 Kg Cartons, 195 Nos. Drums
Total (A + B + C + D + E + F + G + H)	0	0
Waste intensity per rupee of turnover (Total Waste Generated / Revenue from operations)	0	0
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Waste Generated / Revenue from operations adjusted for PPP)	0	0
Waste intensity in terms of physical output	0	0
Waste intensity (optional) – the relevant metric may be selected by the entity	0	0
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste- Plastic		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0
Category of waste-E- Waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0
Category of waste-Bio Medial Waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

Parameter	FY 25-26 (Current Financial Year)	FY 24-25 (Previous Financial Year)
Category of waste-Construction and demolition Waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0
Category of waste-Battery waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0
Category of Radioactive waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0
Category of Other Hazardous waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total		
Category of Other Hazardous waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total		
Category of Other Non- Hazardous waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste – Plastic		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0
Category of waste – W-waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total		

Parameter	FY 25-26 (Current Financial Year)	FY 24-25 (Previous Financial Year)
Category of waste – Bio Medical waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
iii) Other disposal operations	0	0
Total		
Category of waste – Construction and demolition waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
iii) Other disposal operations	0	0
Total	0	0
Category of waste – Battery		
(i) Incineration	0	0
(ii) Landfilling	0	0
iii) Other disposal operations	0	0
Total	0	0
Category of waste – Radioactive		
(i) Incineration	0	0
(ii) Landfilling	0	0
iii) Other disposal operations	0	0
Total	0	0
Category of waste – Other Hazardous waste , Please specify if any		
(i) Incineration	0	0
(ii) Landfilling	0	0
iii) Other disposal operations	0	0
Total	0	0
Category of waste - Other Non-hazardous waste generated		
(i) Incineration	0	0
(ii) Landfilling	0	0
iii) Other disposal operations	0	0

EI-9 Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

EI-10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The company's waste management systems effectively handle manufacturing and operational waste. Its commitment to the 3R (Reduce, Reuse, Recycle) concept supports a circular economy, minimizes the use of virgin materials, and reduces environmental impact.

EI-11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

No, Company does not operate in ecologically sensitive areas such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc which require approvals / clearances.

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not applicable			

EI-12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether independent external agency (Yes / No)	Results communicated In public domain (Yes / No)	Relevant Web link
Not Applicable					

EI-13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law/ regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines/ penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective taken, if any action
Not applicable				

Remarks: We are complying all States and Central Government Laws, guidelines and regulations as mandated by State Pollution Control Board (SPCB) and Central Pollution Control Board (CPCB)

Leadership Indicators

LI-1 Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area :- Noida Uttar Pradesh, Kandla Gujrat
- (ii) Nature of operations :- Oil Drilling Equipment Manufacturing

LI-2 Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): Water withdrawal, and consumption in the following format:

Parameter	2025-26	2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	0
(ii) Groundwater	-	823
(iii) Third party water	80	55
(iv) Seawater / desalinated water	-	0
(v) Others	-	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1570	878
Total volume of water consumption (in kilolitres)	1650	878
Water intensity per rupee of turnover (Water consumed / turnover)	1650KL/18,195.73 in INR lacs	878 KL/14,091.9 in INR lacs

Parameter	2025-26	2024-25
Water intensity (optional) – the relevant metric may be selected by the entity. KL / null of null	1650KL/18,195.73 in INR lacs	878 KL/14,091.9 in INR lacs
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
No treatment	0	0
With treatment – please specify level of treatment	0	0
iii) To Seawater		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties		
No treatment	0	0
With treatment – please specify level of treatment		
v) Others		
No treatment	0	0
With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	0	0

LI-1 Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency;
No.

LI - 2. Please provide details of total Scope 3 emissions & its intensity, in the following format:
Not applicable

LI-2 Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.
Not applicable

LI-3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.
Not Applicable

LI-4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:
Not Applicable

LI-5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.
Yes, United Drilling Tools Limited (UDTL) has a dedicated Risk Management Committee that oversees theUnited Drilling Tools Limited (UDTL) has a dedicated Risk Management Committee that oversees the identification, assessment, and management of key business risks. The Committee focuses on areas such as financial and operational risks, industry-related challenges, sustainability, and cyber security.

The Company has put in place appropriate internal controls and risk mitigation measures to manage these risks effectively. The Risk Management Committee regularly reviews the Risk Management Policy and monitors its implementation to ensure that the framework remains effective and relevant to the Company's changing business needs.

To strengthen business continuity and emergency preparedness, UDTL has also developed an Onsite Emergency Plan and Disaster Control Strategy. These plans provide guidance for responding to unexpected events such as fire, explosions, cyber-attacks, and other emergencies.

Through these measures, the Company aims to protect its employees and assets, minimize business disruptions, and ensure continuity of critical operations. This approach helps UDTL remain prepared for potential risks and supports the Company's long-term resilience and sustainable growth.

LI-6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Not Applicable

LI-7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Not Applicable

PRINCIPLE 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

EI-1 (a) Number of affiliations with trade and industry chambers/ associations.

The Company is a member of 4 main trade and industry chambers / associations. The Company participates in the discussions, meetings and seminar organized by these associations and actively put forth its viewpoint on various policy matters and inclusive development policies.

EI-1 (b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry [CII]	National
2	PHD Chamber of Commerce and Industry	National
3	ASSOCHAM	National
4	Indian Chamber of Commerce and Industry	National

EI-2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Not applicable.

Leadership Indicators

LI- 1. Details of public policy positions advocated by the entity:

Not applicable

PRINCIPLE 8:
Businesses should promote inclusive growth and equitable development

EI-1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/No)	Relevant Web link
NA					

EI-2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Not applicable.

EI-3. Describe the mechanisms to receive and redress grievances of the community.

United Drilling Tools Limited (UDTL) focuses on community participation while planning and implementing its CSR initiatives. The Company engages with local stakeholders to understand their needs and ensure that its CSR programmes are relevant, inclusive, and impactful.

UDTL's CSR activities cover areas such as education, healthcare, skill development, livelihood support, women's empowerment, community development, and environmental sustainability. Special attention is given to underprivileged and vulnerable sections of society.

Feedback from communities is considered while planning CSR activities, helping the Company address genuine local needs. This approach supports meaningful social development, strengthens community relationships, and creates a positive and sustainable impact.

EI-4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 25-26 Current Financial Year	FY 24-25 Previous Financial Year
Directly sourced from MSMEs/ small producers	12.50%	16.51%
Sourced directly from within India	74.60%	76.52%

EI-5. Job creation in smaller towns- Disclose wages paid to persons employed¹ (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost. (Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Location	FY 25-26 Current Financial Year	FY 24-25 Previous Financial Year
Rural	32.25	51.23
Semi-urban	09.22	21.08
Urban	26.48	16.67
Metropolitan	32.05	11.02

Leadership Indicators

LI-1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
No negative social impact has been identified during social impact assessment.	Not applicable

LI-2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

The Company is committed to creating meaningful and lasting social impact through its CSR initiatives. Its CSR programmes are designed to improve the quality of life of beneficiaries and contribute to the overall development and well-being of communities.

The Company undertakes initiatives across areas such as education, healthcare, skill development, livelihood support, women's empowerment, community development, and environmental sustainability. Through these programmes, the Company aims to promote inclusive growth and provide support to communities in a responsible and sustainable manner.

At present, the Company's CSR activities are primarily focused on the Delhi NCR region, and none of the current projects are being undertaken in identified aspirational or underserved districts. However, the Company recognizes the importance of extending CSR support to communities that may have greater developmental needs.

LI-3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

The Company does not have a preferential procurement policy to purchase from suppliers comprising marginalized /vulnerable groups but it is directly working with various local suppliers and vendors for its supply.

LI-3 (b) From which marginalized /vulnerable groups do you procure?

Not applicable

LI-3 c) What percentage of total procurement (by value) does it constitute?

Not applicable

LI-4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Not Applicable

LI-5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

No complaints regarding intellectual property related disputes have been registered and hence no corrective action was taken.

LI-6. Details of beneficiaries

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Promoting Health Care	1800	25
2.	Eradicating Hunger ,Poverty	3000	80
3	Promoting Education including Special Education	340	35
4	Setting up Old Age Homes , day care facilities	250	85
5	Promoting national heritage art and culture	40	10
6	Empowering women , enhancing vocational skills	70	25

Principle 9:**Businesses should engage with and provide value to their consumers in a responsible manner****EI- 1 . Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The Company has well-defined internal procedures for the timely redressal and resolution of customer complaints and feedback. Complaints are reviewed by a management-level technical team comprising personnel from the different departments.

The team examines each complaint and, where required, seeks additional information or clarification from the customer to understand the issue. Appropriate corrective actions are then taken to resolve the concern within a reasonable timeframe. Customer feedback is also considered for improving products, processes, and overall service quality.

EI-2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

As percentage of total turnover	
Environmental and social parameters relevant to the product	
Safe and responsible usage	100%
Recycling and/or safe disposal	

EI-3. Number of consumer complaints in respect of the following:

	FY 25-26 Current Financial Year			FY 25-26 Previous Financial Year		
	Received During the year	Pending resolutions at the end of year	Remarks	Received During the year	Pending resolution at the end of year	Remarks
Data Privacy	NIL	NIL	NIL	NIL	NIL	NONE
Advertising	NIL	NIL	NIL	NIL	NIL	NONE
Cyber-security	NIL	NIL	NIL	NIL	NIL	NONE
Delivery of essential services	NIL	NIL	NIL	NIL	NIL	NONE
Restrictive Trade Practices	NIL	NIL	NIL	NIL	NIL	NONE
Unfair Trade Practices	NIL	NIL	NIL	NIL	NIL	NONE
Others	NIL	NIL	NIL	NIL	NIL	NONE

EI- 4. Details of instances of product recalls on account of safety issues:

No Instances of product recalls on account of safety occurred for FY 25-26.

EI-5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, The company has an internal Information security policy that takes care of risks associated with cyber security and data privacy. Cyber security and risk related to data privacy are covered in the Risk Management Policy of the Company.

EI-6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

No corrective action has been taken relating to any of the above-mentioned issues in FY 2025-2026 as no such instance occurred.

EI- 7. Provide the following information relating to data breaches

- Number of instances of data breaches along-with impact- None
- Percentage of data breaches involving personally identifiable information of customers- Not applicable
- Impact, if any, of the data breaches- Not applicable

Leadership Indicators
LI- 1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The same can be accessed on www.udtltd.com

LI-2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

We encourage all the consumers to adhere to all the safety protocols.

LI-3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Not Applicable

LI- 4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/ Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, all products manufactured by us are as per industry standards.

"Annexure-13"

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of them Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis

Sr. No.	Corporate identity number (CIN)	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transaction	Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board (DD/MM/YYYY)	Amount paid as advances, if any	Date on which the resolution was passed in general meeting as required under first proviso to section 188 (DD/MM/YYYY)	SRN of MGT-14
	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

2. Details of material contracts or arrangement or transactions at arm's length basis:-

Sr. No.	Corporate identity number (CIN)	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transaction	Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board (DD/MM/YYYY)	Amount paid as advances, if any
1.	U29220DL2008PTC181042	M/s P Mittal Manufacturing Pvt. Ltd	Wholly Owned Subsidiary Company	1. UDTL has given unsecured Loan with the approval of Shareholders of the Company. 2. P Mittal doing Job work, Recd. & pay Intt., Sale & purchase	1. Three & Five year for Unsecured Loan. 2. One year	1. Receive interest on loan 2. Payment for Job goods & received fund on account of sale of goods	1. The transaction was conducted at the prevailing competitive market price, determined through benchmarking against similar market transactions. This ensures the price reflects fair market value under arm's length conditions. 2. Ordinary course of business	1. 11/11/2018 2. 29/05/2025	NIL
2.	U74999DL1960PTC003290	M/s Parveen Industries Pvt. Ltd.	Brother of Mr. Pramod Kumar Gupta hold the Directorship as well as membership in the Company.	The Company entered into transaction(s) for sale & purchase goods in the ordinary course of Business.	One year	Purchase/Sale of goods	The transaction was conducted at the prevailing competitive market price, determined through benchmarking against similar market transactions. This ensures the price reflects fair market value under arm's length conditions.	29/05/2025	NIL

For and on behalf of Board of
United Drilling Tools Limited

Sd/-
Pramod Kumar Gupta
Chairman
DIN: 00619482

Date: 10/08/2026
Place: Noida

Independent Auditor's Report

To the Members of,
United Drilling Tools Limited
 Report on the audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of United Drilling Tools Limited ("the Company"), which comprise the standalone Balance sheet as at 31st March 2026, standalone statement of profit and loss (and statement of other comprehensive income), statement of changes in equity, standalone statement of cash flows for the year then ended and notes to the Standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Description of Key Audit Matter	How our audit addressed the key audit matters
1.	Recognition and Measurement of Research & Development (R&D) Assets The Company is a manufacturer of high-tech products and, accordingly, carries out Research & Development (R&D) activities in respect of various products, including the continuous improvement of existing products and the development of new products, which are subsequently registered as patents in favour of the Company. Such development takes years to complete and to obtain registration as a patent for design and technology. These R&D assets, which are capitalised as intangible assets, are subject to a set of complex judgments and estimates, particularly as regards whether the development phase has met the criteria for capitalisation prescribed under the Indian Accounting Standards (Ind AS 38 – Intangible Assets). Given the complexity involved and the potential impact on the Standalone financial statements, we identified this as a key audit matter.	Our audit approach consisted of testing the design and operating effectiveness of the internal controls, together with substantive testing, as follows: A. We reviewed the Company's process for assessing whether the R&D Assets meet the criteria for capitalisation under Ind AS 38, with particular focus on the stages of development. We evaluated the technical feasibility of the projects and the Company's intention to complete the development and to use the asset for the purposes of its business. B. We tested a sample of the R&D expenditure incurred during the year to verify that it had been appropriately capitalised in accordance with the requirements of the accounting standards, including a review of the nature of the expenditure and whether it related to research or development activities. Based on the audit procedures performed as stated above, we concluded that the recognition and measurement of R&D assets are appropriate and in accordance with Ind AS 38.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our opinion on the standalone financial statements. Our opinion is not modified in respect of above matter(s).

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period.

These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No.	Description of Key Audit Matter	How our audit addressed the key audit matters
2.	Useful Life of Technology Assets and R&D Assets (Refer Note 4 to the Standalone financial statements) The Company has significant Technology Assets and R&D Assets as at the balance sheet date. Management has exercised judgment in estimating the useful life of these assets, having estimated a useful life of 26 years for Technology Assets and having amortised R&D Assets at 5% per annum. Determining the useful life of such assets involves significant management judgment, particularly in assessing the nature of the technology, expected technological obsolescence, future economic benefits and the planned usage of the asset over time. Owing to the significance of the matters described above and the complexities involved in estimating the useful life, this matter was considered to be of significant importance in our audit of the Standalone financial statements.	We performed the following audit procedures: - Reviewed the supporting documentation and technical justifications provided by management, including the expected future use of the assets. - Assessed whether the 26-year useful life adopted for Technology Assets and the amortisation rate of 5% per annum for R&D Assets are reasonable, having regard to the nature of the assets, historical usage patterns and the technical advice obtained from the independent consultant. - Evaluated whether appropriate disclosures have been made in the Standalone financial statements. Based on the audit procedures performed, we found management's estimate to be supported by reasonable assumptions and appropriately disclosed in the Standalone financial statements.

Information Other than the Standalone financial statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, but does not include the Standalone financial statements and our auditor's report thereon.

Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance

with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone financial statements

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from

fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements

regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The Standalone financial statements of the Company for the year ended 31st March 2025 (corresponding figures) were audited by the predecessor auditor, M/s Sarupria Somani & Associates, Chartered Accountants (Firm Registration No. 010674C), who expressed an unmodified opinion on those Standalone financial statements vide their report dated 29th May 2025 (UDIN 25145361BMLKCA7291). Our opinion on the Standalone financial statements is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The standalone Balance Sheet, the Statement of standalone Profit and Loss including Other Comprehensive Income, the standalone Statement of Changes in Equity and the standalone Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e. On the basis of the written representations received from the directors as on 31st March 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2026.
 - iv. The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), except loans to the wholly owned subsidiary company, with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 51 to the Standalone financial statements).
- v. The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 56(g) to the Standalone financial statements); and
- vi. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) of the Act, as provided under (a) and (b) above, contain any material misstatement.
- vii. The dividend declared and paid by the Company during the year is in accordance with Section 123 of the Act.
- h. Based on our examination, which included test checks, the Company has used accounting software(s) for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software. Further, for the year ended 31 March 2026, the audit trail has been preserved by the Company as per the statutory requirements for record retention.
- i. In our opinion and according to the information and explanations given to us, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **A P U & Company**
Chartered Accountants
F R No. 019542N

Sd/-
CA Ankur Jain
Partner

Place - Noida
Date - 21/05/2026

M. No. FCA - 502270
UDIN - 26502270WDVMKV9366

ANNEXURE-A

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF UNITED DRILLING TOOLS LIMITED

- (i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company is maintaining proper records showing full particulars of intangible assets.
- (b) The Property, Plant and Equipment have been physically verified by the management as per the regular programme of periodical physical verification in a phased manner, which is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) The title deeds of all the immovable properties, as disclosed in Note No. 4 to the Standalone financial statements, are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets, does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) [formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)] and the Rules made thereunder.
- (ii) (a) The physical verification of inventory has been conducted by the Management at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. The discrepancies noticed on such physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

- (b) During the year, according to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns / statements with such banks, which are in agreement with the audited books of account (also refer Note 56m to the Standalone financial statements).
- (iii) The Company has made investments in one company (100% subsidiary), granted unsecured loans and advances in the nature of loans to this company and salary advances. The aggregate amount during the year, and the balance outstanding at the balance sheet date, in respect of such loans or advances and guarantees or security to subsidiaries, joint ventures and associates and to parties other than subsidiaries, joint ventures and associates, are as per the table given below:

Particulars	Aggregate amount granted / provided during the year (₹ in Lacs)	Balance outstanding at the balance sheet date (₹ in Lacs)
Subsidiaries	-	1,150.00
Joint Ventures	-	-
Associates	-	-
Others	-	-

(Also refer Note No. 51 to the Standalone financial statements)

In respect of the aforesaid investments / loans / advances in the nature of loans, the terms and conditions under which such loans were granted / investments were made are not prejudicial to the Company's interest.

In respect of the aforesaid loans / advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts as stipulated and are also regular in payment of interest as applicable. There is no amount which is overdue for more than ninety days. There were no loans / advances in the nature of loans which fell due during the year and were renewed / extended, and no fresh loans were granted to the same parties to settle the existing overdue loans / advances in the nature of loan. The loans / advances

in the nature of loans (in the nature of salary advances) granted during the year, including to related parties, had stipulated the scheduled repayment of principal and, where applicable, payment of interest.

- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made. The Company has not provided any guarantees and security to the parties covered under Sections 185 and 186 of the Companies Act, 2013.
- (v) According to the information and explanations given to us and on the basis of our examination of books of account, the Company has not accepted deposits; hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder are not applicable. Accordingly, the provisions of Clause (v) of the Order are not applicable to the Company.
- (vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the said records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the records of the Company and the information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues as applicable with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there were no undisputed statutory dues payable in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, cess and other material statutory dues

which have not been deposited on account of any dispute except for the following:

Name of the Statute	Nature of the Dues	Amount (₹ in Lacs)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income Tax (including interest and penalty) after adjusting MAT	907.20	Assessment Years 2017-18, 2018-19, 2020-21 and 2023-24	Commissioner of Income Tax (Appeals)

- (c) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of goods and services tax, provident fund, employees' state insurance, income-tax and cess which have not been deposited on account of any dispute except as referred in Note 41.
- (viii) As per the information, explanations and records provided, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.
- (ix) (a) As per the information and records provided, in our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) As per the information and explanations provided to us, during the year the Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief and in our opinion, term loans availed by the Company were applied by the Company during the year for the purposes for which the loans were obtained.
- (d) According to the information and explanations given to us and the procedures performed by us, and on an overall examination of the Standalone financial statements of the Company, we report that no funds raised on a short-term basis have been used for long-term purposes by the Company.

- (e) According to the information and explanations given to us and on an overall examination of the Standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates.
- (f) According to the information and explanations given to us and the procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment of equity shares during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company nor has any such fraud been noticed or reported during the year.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014, was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- (xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) The reports of the internal auditor for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

(xviii) According to the information and explanations given to us, there has been a change in the statutory auditors of the Company during the year. The predecessor auditors, M/s. Sarupria Somani & Associates, Chartered Accountants (Firm Registration No. 010674C), who audited the Standalone financial statements for the year ended 31 March 2025, ceased to be the auditors of the Company 23rd July 2025.

We have taken into consideration the issues, objections or concerns, if any, raised by the outgoing auditors while forming our opinion on the Standalone financial statements of the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios (also refer Note 54 to the Standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone financial statements, our knowledge of the Board of Directors and management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year

from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

- (xx) (a) The Company was not required to transfer the amount of Corporate Social Responsibility remaining unspent (being nil) under sub-section (5) of Section 135 of the Act in respect of 'other than ongoing projects' to a Fund specified in Schedule VII to the Act within a period of six months of the expiry of the financial year, in compliance with the second proviso to sub-section (5) of Section 135 of the Act.
- (b) There are no ongoing projects as at the balance sheet date; therefore, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, the reporting under clause 3(xx) (b) of the Order is not applicable.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of the audit of the Standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **A P U & Company**
Chartered Accountants
F R No. 019542N

Sd/-
CA Ankur Jain
Partner

M. No. FCA - 502270
UDIN - 26502270WDVMKV9366

Place - Noida
Date - 21/05/2026

ANNEXURE-B

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF UNITED DRILLING TOOLS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financial Controls over financial reporting of United Drilling Tools Limited ("the Company") as of March 31, 2026, in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance 168 Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting

was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the reporting on of Standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Place - Noida
Date - 21/05/2026

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **A P U & Company**
Chartered Accountants
F R No. 019542N

Sd/-
CA Ankur Jain
Partner
M. No. FCA - 502270
UDIN - 26502270WDVMKV9366

Standalone Balance Sheet

 As at 31st March, 2026

(₹ in Lacs)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
(1) Non Current Assets			
Property, plant and equipment	4	2,754.76	2,623.89
Capital work-in-progress	4	-	206.19
Right of use Assets	4	38.24	51.26
Intangible Assets	4	2,027.11	2,088.93
Intangible Assets under development	4	991.23	813.76
Financial Assets			
(i) Investments	5	126.07	126.07
(ii) Loans	6	1,150.00	1,150.00
(iii) Other financial assets	7	1,167.51	789.53
Income Tax Assets (Net)	8	534.92	855.71
Other non-current assets	9	51.05	34.47
Total Non Current Assets (1)		8,840.89	8,739.81
(2) Current Assets			
Inventories	10	13,351.41	14,250.05
Financial Assets			
(i) Trade receivables	11	7,157.10	8,707.42
(ii) Cash and cash equivalents	12	16.79	20.86
(iii) Other Bank Balances	13	126.17	135.12
(iv) Other Financial Assets	14	5.13	1.07
Other current assets	15	756.88	1,679.46
Total Current Assets (2)		21,413.48	24,793.98
Total Assets (1+2)		30,254.37	33,533.79
EQUITY AND LIABILITIES			
(1) Equity			
Equity Share Capital	16	2,030.31	2,030.31
Other Equity	17	25,803.62	24,280.66
Total Equity (1)		27,833.93	26,310.97
Liabilities			
(2) Non Current Liabilities			
Financial Liabilities			
(i) Borrowings	18	87.34	112.18
(ii) Lease Liabilities	19	34.87	41.00
Provisions	20	132.23	131.43
Deferred tax liabilities (Net)	21	329.87	324.79
Other non current liabilities	22	23.06	37.19
Total Non Current Liabilities (2)		607.37	646.59
(3) Current Liabilities			
Financial Liabilities			
(i) Borrowings	23	189.39	3,036.53
(ii) Lease Liabilities	24	6.16	10.83
(iii) Trade payables	25		
Dues to Micro and Small Enterprises		85.91	23.82
Other then dues to Micro and Small Enterprises		946.87	2,477.76
(iv) Other financial liabilities	26	397.04	529.45
Other Current Liabilities	27	121.91	408.60
Provisions	28	9.40	28.00
Current Tax Liabilities (Net)	29	56.39	61.24
Total Current Liabilities (3)		1,813.07	6,576.23
Total Liabilities (2+3)		2,420.44	7,222.82
Total Equity and Liabilities (1+2+3)		30,254.37	33,533.79
Material Accounting Policies	1-3		

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date attached

For A P U & Company
 Chartered Accountants
 F R No. 019542N

For and on behalf of Board of Directors of United Drilling Tools Limited

 Sd/-
CA Ankur Jain
 Partner
 M. No. FCA - 502270
 UDIN - 26502270WDVMKV9366

 Sd/-
Pramod Kumar Gupta
 Director
 DIN - 00619482

 Sd/-
Kunal Gupta
 Managing Director
 DIN - 01050505

 Sd/-
Ved Prakash Mahawar
 Independent Director
 DIN - 07208090

 Sd/-
Preet Verma
 Independent Director
 DIN - 09124335

 Sd/-
Khitish Kumar Nayak
 Independent Director
 DIN - 02155949

 Sd/-
Inderpal Sharma
 Whole-time Director
 DIN - 07649251

 Sd/-
Manoj Kumar Arora
 Chief Financial Officer

 Sd/-
Anand Kumar Mishra
 Company Secretary

 Date - 21/05/2026
 Place - Noida

Standalone Statement of Profit & Loss

For the year ended on 31st March, 2026

(₹ in Lacs Except EPS)

Particulars	Note No.	Year ended March 31, 2026	Year ended March 31, 2025
(1) Income			
Revenue from operations	30	18,195.73	17,215.66
Other Income	31	456.00	292.86
Total Income (1)		18,651.73	17,508.52
(2) Expenses			
Cost of Materials Consumed	32	9,998.17	9,803.46
Changes in Inventories of Finished goods and Work-in-Progress	33	1,568.83	1,264.49
Employee Benefit Expense	34	1,180.67	1,345.24
Financial Costs	35	354.25	272.84
Depreciation and Amortization Expense	4	351.20	390.29
Other Expenses	36	2,539.57	2,468.60
Total Expenses (2)		15,992.69	15,544.92
(3) Profit Before Tax (1-2)		2,659.04	1,963.60
(4) Tax Expense:	37		
(i) Current Tax		777.62	602.45
(ii) Deferred Tax Charge / (Income)		5.51	(130.77)
Total Tax Expense (4)		783.13	471.68
(5) Net Profit / (loss) for the year (3-4)		1,875.91	1,491.92
(6) Other Comprehensive Income			
A. Items that will not be reclassified to profit or loss			
(i) Re-measurement loss/(gain) on defined benefit plans		17.66	(4.62)
(ii) Income tax relating to above		(5.14)	1.35
B. Items that will be reclassified to profit or loss			
Income tax relating to above		-	-
Total other comprehensive income (6)		12.52	(3.27)
(7) Total comprehensive income for the year (5-6)		1,888.43	1,488.65
(8) Earning per Equity Share (Face value of ₹10/- each)	38		
(a) Basic		9.30	7.33
(b) Diluted		9.30	7.33
Material Accounting Policies	1-3		

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date attached

For and on behalf of Board of Directors of United Drilling Tools Limited

For A P U & Company

Chartered Accountants

F R No. 019542N

Sd/-

CA Ankur Jain

Partner

M. No. FCA - 502270

UDIN - 26502270WDV/MKV9366

Sd/-

Pramod Kumar Gupta

Director

DIN - 00619482

Sd/-

Preet Verma

Independent Director

DIN - 09124335

Sd/-

Manoj Kumar Arora

Chief Financial Officer

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Kunal Gupta

Managing Director

DIN - 01050505

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Khitish Kumar Nayak

Independent Director

DIN - 02155949

Sd/-

Anand Kumar Mishra

Company Secretary

Sd/-

Ved Prakash Mahawar

Independent Director

DIN - 07208090

Sd/-

Inderpal Sharma

Whole-time Director

DIN - 07649251

Date - 21/05/2026

Place - Noida

Standalone Cash Flow Statement

 For the year ended on 31st March, 2026

(₹ in Lacs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before Tax	2,659.04	1,963.60
Adjustment to reconcile profit before tax to net cash flows:		
Remeasurement gain/(loss) of defined benefit obligation in other comprehensive income	17.66	(4.62)
Interest Income	(143.56)	(152.29)
Interest Expenses	291.78	224.87
Interest Income on Lease liabilities	4.40	4.30
Depreciation and Amortisation	351.20	390.29
Profit on sale of property, plant and equipment	-	(2.18)
Operating profit before working capital changes	3,180.52	2,423.97
Working Capital adjustments:		
Decrease / (Increase) in Trade Receivables	1,550.32	(2,621.09)
Decrease / (Increase) in Inventories	898.64	4,181.45
Decrease / (Increase) in current and non-current financial assets and other current and non-current assets	523.96	98.14
Increase / (Decrease) in Trade payables	(1,468.80)	(3,199.06)
Increase / (Decrease) in current financial liabilities and other current and non-current liabilities	(451.03)	267.19
Cash Generated from operations	4,233.61	1,150.60
Income Tax Paid (Net)	(467.25)	(312.95)
Net Cash Flow from Operating Activities	3,766.36	837.65
CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Property, Plant & Equipment, Intangible Assets and capital work in progress	(378.51)	(345.37)
Proceeds from disposal of Property, Plant & Equipment	-	3.47
Change in other bank balances	8.95	(15.67)
Interest Received	143.56	152.29
Net Cash used in Investing Activities	(226.00)	(205.28)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	-	13.50
Repayment of long term borrowings	(24.84)	(24.15)
(Repayments) / Proceeds of short term borrowings (Net)	(2,847.14)	(114.21)
Payment of Lease Liabilities	(15.21)	(14.51)
Interest paid	(291.78)	(224.87)
Payment of Dividend	(365.46)	(365.46)
Net Cash Flow from Financing Activities	(3,544.43)	(729.70)

Standalone Cash Flow Statement (Contd.)

For the year ended on 31st March, 2026

(₹ in Lacs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Net increase in cash and equivalents	(4.07)	(97.33)
Cash and Cash Equivalents as at 1.4.2024 (Op. Bal.)	20.86	118.19
Cash and Cash Equivalents as at 31.03.2025 (Clo.Bal.)	16.79	20.86
Components of Cash and Cash Equivalents		
Cash on hand	3.35	2.20
Balances with banks	13.44	18.66
Cash and Cash equivalents (Note 12)	16.79	20.86

The standalone statement of cash flows has been prepared in accordance with the 'indirect method' as set out in the Indian Accounting Standard (Ind AS) - 7 - 'Statement of Cash Flows'.

Refer note 46 for amount spent during the financial year 31 March, 2026 and 31 March, 2025 relating to Corporate Social Responsibilities activities included in Net Cash Flow from Operating Activities.

Please refer note 55 for reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, as required by IND AS 7 'Statement of Cash Flows'.

The accompanying notes are an integral part of the Standalone Financial Statements.

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date attached

For and on behalf of Board of Directors of United Drilling Tools Limited

For A P U & Company

Chartered Accountants
F R No. 019542N

Sd/-
CA Ankur Jain
Partner
M. No. FCA - 502270
UDIN - 26502270WDVMKV9366

Sd/-
Pramod Kumar Gupta
Director
DIN - 00619482

Sd/-
Preet Verma
Independent Director
DIN - 09124335

Sd/-
Manoj Kumar Arora
Chief Financial Officer

Sd/-
Kunal Gupta
Managing Director
DIN - 01050505

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Khitish Kumar Nayak
Independent Director
DIN - 02155949

Sd/-
Anand Kumar Mishra
Company Secretary

Sd/-
Ved Prakash Mahawar
Independent Director
DIN - 07208090

Sd/-
Inderpal Sharma
Whole-time Director
DIN - 07649251

Date - 21/05/2026
Place - Noida

Standalone Statement of Change In Equity

 For the year ended on 31st March, 2026

(₹ in Lacs)

A. Equity Share Capital

Particulars	Balance at the beginning of the reporting period i.e; April 01, 2024	Changes in equity share capital during the year 2024-25	Balance at the end of the reporting period i.e; March 31, 2025	Changes in equity share capital during the year 2025-26	Balance at the end of the reporting period i.e; March 31, 2026
Equity Share Capital	2,030.31	-	2,030.31	-	2,030.31
Total	2,030.31	-	2,030.31	-	2,030.31

B. Other Equity

Particulars	Share Forfeiture Account	Reserves and Surplus				Total
		Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	
Balance at the beginning of the reporting period i.e; April 01, 2024	3.84	1,783.04	1,234.69	500.00	19,635.90	23,157.47
Profit for the year	-	-	-	-	1,491.92	1,491.92
Other comprehensive income for the year	-	-	-	-	(3.27)	(3.27)
Dividend Paid	-	-	-	-	(365.46)	(365.46)
Balance at the end of the reporting period i.e; March 31, 2025	3.84	1,783.04	1,234.69	500.00	20,759.09	24,280.66
Profit for the year	-	-	-	-	1,875.91	1,875.91
Other comprehensive income for the year	-	-	-	-	12.51	12.51
Dividend Paid	-	-	-	-	(365.46)	(365.46)
Balance at the end of the reporting period i.e; March 31, 2026	3.84	1,783.04	1,234.69	500.00	22,282.05	25,803.62

The accompanying notes are an integral part of the Standalone Financial Statements.

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date attached

For and on behalf of Board of Directors of United Drilling Tools Limited

For A P U & Company

 Chartered Accountants
 F R No. 019542N

 Sd/-
CA Ankur Jain
 Partner
 M. No. FCA - 502270
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Pramod Kumar Gupta
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 Sd/-
Inderpal Sharma
 Whole-time Director
 DIN - 07649251

 Date - 21/05/2026
 Place - Noida

 Sd/-
Manoj Kumar Arora
 Chief Financial Officer

 Sd/-
Anand Kumar Mishra
 Company Secretary

Material Accounting Policies

CORPORATE INFORMATION

United Drilling Tools Ltd. ("UDTL" or "the Company") is a public limited company incorporated and domiciled in India. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange of India Limited (NSE) in India. The Company is a leading manufacturer of oil drilling related equipment in the country. The Company has obtained Global quality standards for its major products. The registered office of the Company is located at 139A, First Floor, Antriksh Bhawan, 22 Kasturba Gandhi Marg, New Delhi-110001. The Corporate Identification No. (CIN) of the Company is L29199DL1985PLC015796.

The standalone financial statements of the Company for the year ended 31st March 2026 were approved for issue by Board of Directors in their meeting held on 21st May, 2026.

1. MATERIAL ACCOUNTING POLICIES

This note provides a list of the material accounting policies adopted in the preparation of these standalone financial statements.

a. Basis of preparation and presentation

The standalone financial statements of the Company comprises, the standalone balance sheet as at 31 March, 2026, the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the material accounting policies and other explanatory information (herein referred to as "standalone financial statements"). These standalone financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of Companies Act, 2013 (the 'Act'), read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other relevant provisions of the Act. These standalone financial statements have been prepared on a going concern basis and are presented in accordance with the requirements of Division II of Schedule III to the Act.

b. Basis of Measurement

The standalone financial statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

- certain financial assets and liabilities

- net defined benefit (asset)/ liability, measured at the present value of the defined benefit obligation less the fair value of plan assets, where funded.

The standalone financial statements are presented in Indian Rupees (₹), which is the Company's functional and presentation currency and all amounts are rounded to the nearest lakhs (₹ 00,000) and two decimals thereof, except as stated otherwise.

c. Use of Estimates and judgements

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively. (Refer Note 2 on critical accounting estimates, assumptions and judgments).

d. Measurement of fair values

Some of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. This includes a financial reporting team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Management. The financial reporting team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as pricing services, is used to measure fair values, then the financial reporting team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows

- Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Material Accounting Policies

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

e. Current versus non-current classification

The Company presents assets and liabilities in balance sheet based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

- i. Expected to be realized or intended to be sold or consumed in normal operating cycle,
- ii. Held primarily for the purpose of trading,
- iii. Expected to be realized within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when it is:

- i. Expected to be settled in normal operating cycle.
- ii. Held primarily for the purpose of trading,
- iii. Due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company has identified twelve months as its operating cycle.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

f. Property, Plant and Equipment

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Borrowing costs relating to acquisition of fixed assets, if material, are also included in cost to the extent they relate to the period till such assets are ready to be put to use.

Depreciation on Property, Plant and Equipment is provided on useful life of the assets on Written down Value method as specified in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Where significant parts of an item of property, plant and equipment have different useful lives, they are accounted for and depreciated as separate components. Subsequent costs are capitalised only when it is probable that future economic benefits associated with the expenditure will flow to the Company; costs of day-to-day servicing, repairs and maintenance are recognised in the Statement of Profit and Loss as incurred. Depreciation commences when the asset is available for its intended use and is provided pro-rata for additions and disposals during the year.

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The consequential gain or loss is measured as the difference between the net disposal proceeds and

Material Accounting Policies

the carrying amount of the item and is recognised in the Statement of profit and loss.

g. Impairment of Property, Plant and Equipment

At each reporting date, the Company assesses whether there is any indication that an asset or a cash generating unit ('CGU') may be impaired. If any such indication exists, the recoverable amount of the asset or CGU is estimated. Intangible assets under development are tested for impairment annually, irrespective of whether there is any indication of impairment. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognised in the Statement of Profit and Loss when the carrying amount of an asset or CGU exceeds its recoverable amount. An impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimates used to determine the asset's recoverable amount; such reversal is restricted so that the increased carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised in prior periods. After recognition or reversal of an impairment loss, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

h. Intangible Assets

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and accumulated impairment losses, if any. The cost comprises purchase/acquisition price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use.

Patented Technologies (acquired) is amortized over a period of 26 years life on Straight line method of Companies Act, 2013.

Computer Software is amortised @ 40% p.a. on the Written Down Value method, based on the useful life estimated by the management.

Patented Technologies (in-house developed) @5% p.a on the Written Down Value method, based on the useful life estimated by the management as supported by technical evaluation. The amortisation period and

the amortisation method for an intangible asset are reviewed at least at each financial year-end; changes, if any, are accounted for as changes in accounting estimates. An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal, and the resulting gain or loss is recognised in the Statement of Profit and Loss.

i. Revenue Recognition

Sale of Goods

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods. Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer, which generally coincides with the delivery of goods to customers, based on contracts with the customers. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government.

Sale of Services

Revenue from services is recognised over time as the services are rendered, since the customer simultaneously receives and consumes the benefits provided by the Company, measured using the method that best depicts the transfer of services to the customer, based on the contractual terms with the parties.

Interest Income:

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate ("EIR"). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial assets. Interest income is included in other income in the Statement of Profit and Loss.

Export Benefits / Incentives:

Export incentives under schemes notified by the Government of India, including the Remission of Duties and Taxes on Exported Products ('RoDTEP') scheme and Duty Drawback, are recognised in the statement of profit and loss when the right to receive credit as per terms of the scheme is established in respect of export made and where there is no significant uncertainty

Material Accounting Policies

regarding the ultimate collection of the relevant export proceeds.

Dividend Income:

Dividend Income is recognised when the Company's right to receive the payment is established and it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of dividend can be measured reliably.

j. Inventories

- i. Inventories of Finished Goods, Work in progress, Raw materials, Packing materials and Stores & Spares are stated at lower of cost and net realizable value.
- ii. Cost of Raw Materials, Packing Materials, Stores and Spares, Trading and other products are net of input tax credit.
- iii. Cost of Work in progress and Finished Goods is determined considering direct material cost and appropriate portion of manufacturing overheads based on normal operating capacity.
- iv. Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and where necessary, either written off or provision is made for such inventories.
- v. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

k. Employee Benefit

Short Term Employee Benefit:

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render such services.

Defined Contribution Plan:

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no

legal or constructive obligation to pay further amounts. Employees benefits in the form of the Company's contribution to Provident Fund, Pension scheme, Superannuation Fund and Employees State Insurance is a defined contribution scheme and contributions are charged in statement of profit and loss in the periods during which the related services are rendered by employees.

Defined Benefit Plan:

Defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. Post-Employment benefits in the form of gratuity are considered as defined benefit obligations and are provided for on the basis of actuarial valuation as at the date of Balance Sheet which is not funded. The defined benefit obligation is calculated annually by an independent actuary using the Projected Unit Credit method. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised immediately in Other Comprehensive Income in the period in which they occur, and are not reclassified to profit or loss in subsequent periods. Current service cost, past service cost and net interest on the net defined benefit liability are recognised in the Statement of Profit and Loss.

Other long-term employee benefits

The Company's net obligation in respect of compensated absence is the amount of future benefit that employees have earned in return for their service in the current and prior periods which is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurement gains or losses are recognised in statement of profit and loss in the period in which they arise.

l. Foreign Currency Transactions

Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated

Material Accounting Policies

into the functional currency at the exchange rate at the reporting date. Any gain or loss on account of exchange difference arising either on the settlement or on translation of foreign currency monetary items is recognised in the Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction and are not subsequently retranslated.

m. Research and Development

Expenditure incurred during the Research phase are recognized as expenses in statements of profit and loss. Expenditures incurred are capitalized and recognized as "intangible asset under development" when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale.
- Its intention to complete and its ability and intention to use or sell the asset.
- How the intangible asset will generate probable future economic benefits, including the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset.
- The availability of resources to complete the asset.
- The ability to measure reliably the expenditure during development.

Intangible assets under development are transferred to Intangible Assets when development is complete, and the R&D Assets are available for use. R&D Assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Based on the management assessment and technical advice obtained, R&D Assets are amortized @5% p.a. on the Written down Value method. Amortisation commences when the asset is available for use in the manner intended by the management. The amortisation period and the amortisation method are reviewed at least at each financial year-end.

n. Investments in Subsidiary

An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The Company has elected to recognise its investments in subsidiary company at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. Investment carried at cost is tested for impairment as per Ind-AS 36.

o. Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of such asset. A qualifying asset is one that necessarily takes a substantial period of time to get ready for intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

p. Tax Expenses

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current income tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 and rules thereunder. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity).

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their book bases. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax ("MAT") credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each reporting period end and the adjusted based on circumstances then prevailing.

q. Leases

The Company as a lessee

The Company enters into an arrangement for lease of buildings and equipments. Such arrangements are generally for a fixed period but may have extension or termination options. In accordance with Ind AS 116 – Leases, at inception of the contract, the Company assesses whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to control the use an asset (the underlying asset) for a period of time in exchange for consideration'.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses (unless such right of use assets fulfills the requirements of Ind AS 40 - Investment Property and is accounted for as there under), if any and adjusted for any re-measurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. Right-of-use asset are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortized cost using the effective interest rate method.

The Company presents right-of-use assets that do not meet the definition of investment property and lease liabilities as a separate line item in the standalone financial statements of the Company.

The Company has elected not to apply the requirements of Ind AS 116 - Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

r. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the

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provision due to the passage of time is recognized as a finance cost.

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability in the notes and not provided for.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable.

s. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments of the Company.

Business Segment: The Company's operating business is engineering goods only and accordingly there is only one business segment.

Geographical information: Revenue from external customers is attributed to India and to foreign countries on the basis of the location of the customers, and non-current assets are disclosed on the basis of their location, as required by Ind AS 108. Information about major customers contributing ten per cent or more of the Company's revenue is disclosed in the notes to the financial statements.

t. Earning Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted Earnings per Share, the net profit or loss for the period attributable to Equity Shareholders and the weighted average number of Shares outstanding during the period are adjusted for the effects of all dilutive potential Equity Shares.

u. Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Financial assets

All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost (except for financial assets that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for financial assets that are designated as at fair value through profit or loss on initial recognition):
- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for financial assets other than those financial assets classified as at fair value through profit or loss. Interest income is recognised in the Statement of profit and Loss.

De-recognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the statement of profit and loss.

Impairment of financial assets

The Company assesses at each Balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). The Company recognizes credit loss allowance at lifetime expected credit loss model for trade receivables that do not constitute a financing transaction. For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 and measures the loss allowance at an amount equal to lifetime expected credit losses, using a provision matrix based on historical credit loss experience, adjusted for forward-looking information. For all other financial assets, expected credit losses are measured at an amount equal to twelve-month expected credit losses, unless there has been a significant increase in credit risk since initial recognition, in which case lifetime expected credit losses are measured. A financial asset

is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by an entity are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at fair value through profit or loss. Financial liabilities are classified as at fair value through profit or loss when the financial liability is held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition, it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities subsequently measured at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at fair value through profit or loss are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant

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period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

De-recognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in the statement of profit and loss.

v. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, balances with banks in current accounts, demand deposits and other short-term, highly liquid investments with original maturities of three months or less, which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Bank balances other than cash and cash equivalents are disclosed separately in accordance with the requirements of Schedule III to the Act.

w. Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

x. Government grants

Government grants, including export incentives, are recognised where there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received. Grants related to income are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the related costs, for which they are intended to compensate, are recognised as expenses.

y. Dividend Distribution

The final dividend on equity shares is recognised as a liability in the period in which it is approved by the

shareholders in the general meeting. Interim dividends are recognised as a liability in the period in which they are declared by the Board of Directors.

2. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS, JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Company has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

Useful lives of tangible/intangible assets

The Company reviews its estimate of the useful lives of tangible/intangible assets at each reporting date, based on the expected utility of the assets.

Defined benefit obligation

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. In view of the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the

Material Accounting Policies

deductible temporary differences and tax loss carry-forward can be utilised. In addition, significant judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

Recoverability of trade receivable and advances

Judgments are required in assessing the recoverability of overdue trade receivables and advances and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Measurement of expected credit losses

The measurement of impairment loss allowance for financial assets is based on assumptions about the risk of default and expected loss rates. The Company uses judgement in making these assumptions and in selecting the inputs to the impairment calculation, based on its past history, existing market conditions and forward-looking estimates at the end of each reporting period.

Impairment of investment in subsidiary

The Company reviews its investment in subsidiary for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Determination of the recoverable amount involves judgement regarding estimated future cash flows, growth rates and discount rates.

Leases – determination of lease term and discount rate

The Company applies judgement in determining the lease term where a contract contains extension or termination options, by assessing whether it is reasonably certain that such options will be exercised, and in determining the incremental borrowing rate used to discount the lease liabilities.

Capitalisation of development expenditure

The Company applies judgement in assessing whether the recognition criteria prescribed under Ind AS 38 for

capitalisation of development expenditure have been met, including the technical feasibility of completing the intangible asset and the probability of expected future economic benefits.

Provisions and Contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

3. RECENT ACCOUNTING PRONOUNCEMENTS

The Ministry of Corporate Affairs ('MCA') notifies new Indian Accounting Standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules from time to time. [State, as at the date of approval of these financial statements, whether any new standards or amendments have been notified which are applicable to the Company from a future date, and their expected impact.]

For **A P U & Company**
 Chartered Accountants
 F R No. 019542N

Sd/-
CA Ankur Jain
 Partner

M. No. FCA - 502270
 UDIN - 26502270WDVMKV9366

Place - Noida
 Date - 21/05/2026

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

4. PROPERTY, PLANT & EQUIPMENT

₹ in Lacs

Own Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on April 01, 2024	Adjustment/Deduction	As on April 01, 2025	Adjustment/Deduction	As on March 31, 2026	Adjustment/Deduction	As on April 01, 2025	For the Year	As on March 31, 2026	As on March 31, 2025
Tangible Assets (A)										
Land	381.69	-	-	-	381.69	-	-	-	-	381.69
Building	826.17	-	-	-	1,043.45	-	542.65	26.93	594.01	449.44
Office Building	1,349.52	-	-	-	1,349.52	-	66.05	62.50	188.01	1,161.51
Electric Fitting	122.79	0.17	-	-	167.85	-	99.91	4.17	107.52	60.33
Plant Machinery & Equipments										
Plant & Machinery	647.16	18.74	-	-	779.29	-	364.69	51.59	464.62	314.67
Tools & Dies	200.32	-	-	-	200.68	-	175.72	4.07	183.51	17.17
Generator	43.47	3.20	-	-	46.67	-	31.66	2.28	36.24	10.43
Testing & Other Equipment	363.67	27.65	-	-	415.15	-	249.31	31.08	313.19	101.96
Office Equipment	94.55	9.35	-	-	103.90	-	80.14	8.25	96.46	11.82
Safety Equipment	19.08	0.09	-	-	19.17	-	16.06	0.63	17.14	2.03
R&D Tech Equip P & M	255.56	-	-	-	255.56	-	166.67	16.09	195.94	59.62
Furniture & Fixture	149.61	3.22	-	-	152.83	-	69.02	21.54	106.71	46.21
Computer	62.83	1.83	-	-	64.66	-	57.75	4.24	64.72	2.95
Vehicles	507.67	19.43	-	-	485.96	-	246.25	83.32	351.03	134.93
TOTAL (A)	5,024.09	83.68	41.14	5,066.63	407.23	-	2,165.88	316.69	2,719.10	2,623.90
Intangible Assets*(B)										
Technology Assets	4,758.81	-	-	-	4,758.81	-	2,830.00	50.68	2,931.36	1,878.13
Patented Technologies (inhouse developed)	232.40	-	-	-	232.40	-	12.29	11.01	33.76	198.64
Software	21.27	-	-	-	21.27	-	18.45	1.12	20.25	1.02
TOTAL (B)	5,012.48	-	-	-	5,012.48	-	2,860.74	62.81	2,985.37	2,088.93
Right of use Assets (C)										
TOTAL (A+B+C)	10,036.57	145.72	41.14	10,141.15	407.23	-	5,026.62	390.28	5,728.27	4,764.09
Intangible Assets under development	641.84	171.92	-	-	991.22	-	-	-	-	813.76
Capital WIP (Office)	-	-	-	-	-	-	-	-	-	-
Capital WIP (Factory)	50.13	84.57	-	-	263.64	-	-	-	-	134.70
Capital WIP (Others)	69.49	5.20	3.20	71.49	71.49	-	-	-	-	71.49

4.1 - For Properties pledged as security - refer Note 50

4.2 - Intangible Assets includes acquired and Patented intangibles include internally generated.

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

4.3 - The Company assessed the probability of expected future economic benefits of intangible assets using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset. The future economic benefits flowing from the intangible assets include revenue from the sale of products, cost savings, or other benefits resulting from the use of the intangible asset by the Company. Therefore, basis the current usage patterns and operational dependency, Technological obsolescence trends, Internal assessments and technical evaluation, the useful life of Technology Assets is taken as 26 years and R&D Assets are being amortised @5% p.a. These estimates are reviewed periodically and adjusted prospectively if necessary.

(i) CWIP ageing schedule (₹ in Lacs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 yr	1-2 yrs	2-3 yrs	More than 3 yrs	
Projects in progress					
As at March 31, 2026	177.47	171.93	109.43	532.40	991.23
As at March 31, 2025	171.93	109.43	296.23	236.17	813.76

There are no projects as on each reporting period where activity has been suspended. Also, there are no projects as on each reporting period which has exceeded cost as compared to its original plan or where completion is overdue.

(ii) Intangible assets under development ageing schedule (₹ in Lacs)

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 yr	1-2 yrs	2-3 yrs	More than 3 yrs	
Projects in progress					
As at March 31, 2026	-	-	-	-	-
As at March 31, 2025	89.77	116.42	-	-	206.19

There are no projects as on each reporting period where activity has been suspended. Also, there are no projects as on each reporting period which has exceeded cost as compared to its original plan or where completion is overdue.

5. Investments

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Investments in unquoted equity instruments of Subsidiary Company (at Cost)		
593,284 (31 March 2025: 593,284) fully paid equity shares of ₹10 each of P Mittal Manufacturing Pvt Ltd	126.07	126.07
Total	126.07	126.07
Aggregate amount of unquoted investments	126.07	126.07
Aggregate amount of impairment in value of investments.	-	-

Information about investments along with proportion of ownership interest held and country of incorporation are as follows:

Name of the Company	Proportion of ownership interests held by the Company at year end	
	As at March 31, 2026	As at March 31, 2025
P Mittal Manufacturing Pvt Ltd	100%	100%
Country of incorporation and principal place of business - India		

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

6. Loans

(₹ in Lacs)		
Particulars	As at March 31, 2026	As at March 31, 2025
Loans carried at amortised cost		
Loans to Subsidiary Company, considered good - Unsecured	1,150.00	1,150.00
Total	1,150.00	1,150.00

Note : Please refer to note no. 43 on related party disclosure.

Refer note 51 for information required under Section 186 (4) of the Companies Act, 2013.

There are no loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties (as defined under Companies Act, 2013) that are either repayable on demand or without specifying any terms or period of repayment.

No Loan receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any Loan receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

7. Other Financial Assets

(₹ in Lacs)		
Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Balance in deposit accounts with remaining maturity of more than 12 months (including interest accrued thereon)#	1,119.77	739.85
Security Deposits	47.74	49.68
Total	1,167.51	789.53

8. Income Tax Assets (Net)

(₹ in Lacs)		
Particulars	As at March 31, 2026	As at March 31, 2025
Advance Income Tax (net of provisions)	534.92	855.71
Total	534.92	855.71

9. Other Non Current Assets

(₹ in Lacs)		
Particulars	As at March 31, 2026	As at March 31, 2025
Advance to vendors	51.05	34.47
Total	51.05	34.47

No Advance are due from directors or other officers of the Company either severally or jointly with any other person. Nor any Advance are due from firms or private companies respectively in which any director is a partner, a director or a member.

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

10. Inventories

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
(Valued at lower of cost or net realisable value)		
Raw Material	2,979.63	2,295.67
Work-in-Progress	9,690.57	10,424.21
Finished Goods	148.76	983.95
Stores & Spares	532.45	546.22
Total	13,351.41	14,250.05

The cost of inventories recognised as an expense during the year is disclosed in Note 32 and Note 33.

11. Trade receivables

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables, considered good - Unsecured	7,157.10	8,707.42
Trade receivables - which have significant increase in credit risk	-	-
Trade receivables - Credit impaired	-	-
	7,157.10	8,707.42
Less : Allowance for expected credit loss	-	-
Total	7,157.10	8,707.42

Trade receivables are non-interest bearing and credit period generally falls in the range of 0 to 120 days.

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Refer note 47 for aging details

12. Cash & Cash Equivalent

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with Bank in Current Account	13.44	18.66
Cash on hand	3.35	2.20
Total	16.79	20.86

13. Other Bank Balances

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Unclaimed Dividend Account*	126.17	135.12
Total	126.17	135.12

*These balances are not available for use by the Company and corresponding liability is disclosed as unclaimed dividend in note 26.

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

14. Other Financial Assets

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured Considered Good		
Interest Receivable	5.13	1.07
Total	5.13	1.07

15. Other Current Assets

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured Considered Good		
Employees Advance	6.08	3.10
Prepaid Expenses	63.61	36.18
Advance to vendors	270.28	488.99
Balance with Statutories Authorities	416.91	1,151.19
Total	756.88	1,679.46

No Advance are due from directors or other officers of the Company either severally or jointly with any other person. Nor any Advance are due from firms or private companies respectively in which any director is a partner, a director or a member.

16. Equity Share Capital

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
AUTHORIZED CAPITAL		
Equity Share Capital	3,698.83	3,698.83
3,69,88,330 Equity Shares of ₹10/- each)		
(As at March 31, 2025: 3,69,88,330 Equity Shares of ₹10/- each)		
Preference Shares of ₹100/- each	1,001.17	1,001.17
10,01,167 5% Cumulative Compulsory Redeemable Preference Shares (CCPS)		
(As at March 31, 2025: 10,01,167 CCPS)		
Total Authorized Capital	4,700.00	4,700.00
ISSUED, SUBSCRIBED & PAID-UP CAPITAL		
Equity Shares		
2,03,03,126 Equity Shares of ₹10/- each, fully paid up	2,030.31	2,030.31
(As at March 31, 2025: 2,03,03,126 Equity Shares of ₹10/- each)		
Sub - Total	2,030.31	2,030.31
Total	2,030.31	2,030.31

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

a) Reconciliation of number of share outstanding

Particulars	No. of shares	Amount
Balance as at April 01, 2025	2,03,03,126	2,030.31
Movement during the year	-	-
Balance as at March 31, 2026	2,03,03,126	2,030.31

Particulars	No. of shares	Amount
Balance as at April 01, 2024	2,03,03,126	2,030.31
Movement during the year	-	-
Balance as at March 31, 2025	2,03,03,126	2,030.31

b) Terms/rights/preference/restrcitions attached to shares

The Company has only one class of equity shares having a par value of ₹10 each. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) List of shareholders holding more than 5% of the equity share capital of the Company at the beginning and at the end of the year:

Shareholders as at March 31, 2026	No. of shares (FV of ₹10/- each)	% of Shareholding
Pramod Kumar Gupta	1,43,63,800	70.75%

Shareholders as at March 31, 2025	No. of shares (FV of ₹10/- each)	% of Shareholding
Pramod Kumar Gupta	1,43,63,800	70.75%

As per records of the Company, including its register of shareholders/members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

d) Shares held by holding or ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate: Nil

e) Details of shares held by promoters:

Promoter Name	No. of shares (FV of ₹10/- each)	% of Shareholding
Shareholders as at March 31, 2026		
Pramod Kumar Gupta	1,43,63,800	70.75
Prabha Gupta	7,88,760	3.88
Kanal Gupta	2,900	0.01

During the year, there was no change in the shareholding of the promoter(s)

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

Promoter Name	No. of shares (FV of ₹ 10/- each)	% of Shareholding
Shareholders as at March 31, 2025		
Pramod Kumar Gupta	1,43,63,800	70.75
Prabha Gupta	7,88,760	3.88
Kanal Gupta	2,900	0.01

During the year, there is no change in the shareholding of the promoter(s)

17. Other Equity

(Refer Standalone Statement of Changes in Equity for detailed movement in Other Equity balance)

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
A. Capital Reserve		
As per last Balance Sheet	1,783.04	1,783.04
	1,783.04	1,783.04
B. Securities Premium Reserve		
As per last Balance Sheet	1,234.69	1,234.69
	1,234.69	1,234.69
C. General Reserve		
As per last Balance Sheet	500.00	500.00
	500.00	500.00
D. Retained Earnings		
As per last Balance Sheet	20,759.09	19,635.90
Add: Profit for the Year	1,875.91	1,491.92
Add: Remeasurement of defined benefit plans in OCI for the year	12.51	(3.27)
	22,647.51	21,124.55
Less: Appropriations		
Dividend Paid	365.46	365.46
	22,282.05	20,759.09
E. Share Forfeiture Account		
As Per Last Balance Sheet	3.84	3.84
	3.84	3.84
TOTAL (A to E)	25,803.62	24,280.66

Description of nature and purpose of Reserve:-

Securities premium - Created to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Act.

Retained earnings - Created from the profit of the Company, as adjusted for distributions to owners, transfers to other reserves, etc.

Share Forfeiture account - It records the value of shares a company cancels due to a shareholder's failure to meet payment obligations

Notes to the Standalone Financial Statements

 For the year ended on 31st March, 2026

18. Borrowings

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured		
Vehicle Loans from Banks	112.18	135.75
Less : Current maturities of long term debts	24.84	23.57
Total	87.34	112.18

Note 18.1: The Secured Loan of ₹31.26 Lakhs (Previous Year ₹40.95 Lakh) is secured by way of hypothecation of vehicles, payable in variable installments in next 33 monthly installment. The applicable rate of interest is 8.60% per annum.

Note 18.2: The Secured Loan of ₹70.27 Lakhs (Previous Year ₹81.88 Lakhs) is secured by way of hypothecation of vehicles, payable in variable installments in next 57 monthly installment. The applicable rate of interest is 8.70% per annum.

Note 18.3: The Secured Loan of ₹10.64 Lakhs (Previous Year ₹12.92 Lakh) is secured by way of hypothecation of vehicles, payable in variable installments in next 45 monthly installment. The applicable rate of interest is 9.25% per annum.

19. Lease Liabilities

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Lease Liability (Non Current) - (Refer note 44)	34.87	41.00
Total	34.87	41.00

20. Provisions

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employees benefit		
Gratuity (Refer note 39)	117.13	112.44
Leave Encashment	15.10	18.99
Total	132.23	131.43

21. Deferred Tax Liabilities (Net)

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liability		
At the Start of the year	324.79	455.85
Charge/(Credit) to the statement of Profit & Loss	5.51	(130.77)
Less: Deferred tax assets	(0.43)	(0.30)
Total	329.87	324.79

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

21. Deferred tax assets and liabilities

Deferred taxes arising from temporary differences and unused tax losses are summarised as follows:

Deferred tax liabilities/(assets)	As at April 01, 2025	Recognised in other comprehensive income	Recognised in Statement of Profit and Loss	As at March 31, 2026
Difference between WDV as per books of accounts and income tax	1,275.35	(5.14)	5.51	1,275.72
ROU Assets and lease Liabilities	51.25	-	(13.01)	38.24
Allowance for doubtful debts	-	-	-	-
Provision for retirement benefits	(159.43)	-	16.60	(142.83)
Others	-	-	-	(38.33)
	1,167.17	(5.14)	9.10	1,132.80

Deferred tax liabilities/(assets)	As at April 01, 2024	Recognised in other comprehensive income	Recognised in Statement of Profit and Loss	As at March 31, 2025
Difference between WDV as per books of accounts and income tax	1,701.33	1.35	(131.07)	1,275.35
ROU Assets and lease Liabilities	-	-	-	51.25
Allowance for doubtful debts	-	-	-	-
Provision for retirement benefits	(135.95)	-	-	(159.43)
Others	-	-	-	-
	1,565.38	1.35	(131.07)	1,167.17

22. Other Non Current Liabilities

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Security deposit received	5.00	10.00
Liabilities for expenses	18.06	27.19
Total	23.06	37.19

23. Short Term Borrowings

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured - At Amortised Cost		
Working Capital Loan from Banks	164.55	3,012.96
Current Maturities of Long Term Loan	24.84	23.57
Total	189.39	3,036.53

Note 23.1 - The Working Capital loan from banks is secured by hypothecation of all present and future Fixed Assets including Plant & Machinery, Furniture and Fixture, Vehicle, Inventories, Book Debts and all movable assets of the company. Also personal guarantee of Mr. Pramod Kumar Gupta, Director.

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

24. Lease Liabilities

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Lease Liability (Current) - (Refer note 44)	6.16	10.83
Total	6.16	10.83

25. Trade Payable

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of-		
Dues to Micro and Small Enterprises (Refer note below)	85.91	23.82
Other than dues to Micro and Small Enterprises	946.87	2,477.76
Total	1,032.78	2,501.58

Trade payables are non-interest bearing and credit period generally falls in the range of 0 to 120 days.

Refer note 48 for aging details

Dues to Micro and Small Enterprises

The dues to Micro and Small Enterprises as required under the Micro, Small and Medium Enterprises Development ("MSMED") Act, 2006 to the extent information available with the Company is given below:

Particulars	March 31, 2026	March 31, 2025
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	85.91	23.82
Principal amount due to micro and small enterprises	85.91	23.82
Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year*	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

26. Other Financial Liabilities

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Liabilities for Expenses	141.84	233.41
Unclaimed Dividend#	126.17	135.12
Employees Related payable	129.03	160.92
Total	397.04	529.45

#Not due for deposit to the Investor Education and Protection Fund.

27. Other Current Liabilities

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Advances from Customers	69.74	45.99
Statutory liabilities	52.17	362.61
Total	121.91	408.60

28. Provisions

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Employment Benefit		
Gratuity (Refer note 39)	8.40	26.73
Leave Encashment	1.00	1.27
Total	9.40	28.00

29. Current Tax Liabilities (net)

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Current Tax Liabilities(net)	56.39	61.24
Total	56.39	61.24

30. Revenue from Operations

(₹ in Lacs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Sale of Products	18,177.71	17,209.06
Other Operating Revenue		
Consulting and Engineering Services	18.02	0.41
Freight & Insurance	-	6.19
Total	18,195.73	17,215.66

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

Disclosure on revenue pursuant to Ind AS 115- Revenue from contract with customers:

A. Reconciliation of revenue recognised with the contracted price:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Gross revenue/Contracted price	18,177.71	17,209.06
Less: Discounts and rebates	-	-
Revenue from contracts with customers	18,177.71	17,209.06

B. Disaggregation of revenue

Information about geographical area

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Sale of Products and rendering of services		
(i) Within India	17,362.88	14,030.85
(ii) Outside india	814.83	3,178.21
Total sale of products and rendering of services	18,177.71	17,209.06

C. Contract balances:

The following table provides information about trade receivables and contract liabilities from contract with customers:

Receivables

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Trade Receivables	7,157.10	8,707.42
Less: Allowances for expected credit loss	-	-
Net receivables	7,157.10	8,707.42

Contract Liabilities

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Advance from customers	69.74	45.99
Net Contract Liabilities	69.74	45.99

- D. Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liabilities are on account of the advance payment received from customer for which performance obligation has not yet been completed. The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. Further, there are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.

There is no significant financing component in any transaction with the customers.

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

E. Changes in the contract liabilities balances during the year are as follows:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Balance at the beginning of the year	45.99	21.20
Addition during the year	69.74	45.99
Revenue recognised during the year	(45.99)	(21.20)
Balance at the closing of the year	69.74	45.99

31. Other Income

(₹ in Lacs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Interest Income from loan to subsidiary	95.25	95.25
Interest Income -Others	48.31	57.04
Profit on Sale of Property, Plant and Equipments	-	2.18
Rent Income	33.00	29.38
Misc. Income	279.44	109.01
Total	456.00	292.86

32. Cost of Material Consumed

(₹ in Lacs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Materials and Stores		
Opening Stock	2,841.89	5,758.84
Add: Purchase during the year	10,668.36	6,886.51
	13,510.25	12,645.35
Less: Closing stock	3,512.08	2,841.89
Material Consumed	9,998.17	9,803.46

33. Change in Inventories of Finished goods and Work-in-Progress

(₹ in Lacs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Inventories (at commencement)		
Work-in- Progress	10,424.21	11,559.49
Finished Goods	983.95	1,113.16
	11,408.16	12,672.65
Inventories (at close)		
Work-in- Progress	9,690.57	10,424.21
Finished Goods	148.76	983.95
	9,839.33	11,408.16
Total	1,568.83	1,264.49

Notes to the Standalone Financial Statements

 For the year ended on 31st March, 2026

34. Employees Benefit Expenses

(₹ in Lacs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Salary and Wages Expenses	1,054.97	1,214.99
Contribution to PF and other funds & benefits	58.55	61.39
Bonus Expenses	18.32	17.96
Gratuity Expenses	20.04	19.95
Employee Welfare Expenses	28.79	30.95
Total	1,180.67	1,345.24

Note: Refer Note 43 for related party disclosure

35. Financial Cost

(₹ in Lacs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Interest expenses on Bank Borrowings	237.93	164.89
Other Interest	53.85	59.97
Interest Exp on unwinding of Lease Liability	4.40	4.30
Other Borrowing Costs	58.07	43.68
Total	354.25	272.84

36. Other Expenses

(₹ in Lacs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
(A) Manufacturing Expenses		
Power, Fuel & Water Charges	98.22	119.25
Security Service Charges	32.98	30.52
Testing, Painting & Inspection Expenses	89.92	81.27
Job Charges	600.10	485.04
Repair & Maintenance		
Plant & Machinery	17.97	15.39
Building	2.31	2.97
Others	149.73	92.67
TOTAL (A)	991.23	827.11
(B) Administrative and Other Expenses		
Printing & Stationary	10.64	10.58
Postage, Telegram & Telephones	15.14	17.24
Subscription & Membership Fees	1.37	0.65
Director's Sitting Fee (Refer Note 43)	6.00	7.95
Rent (Refer Note 44)	90.22	89.21
Travelling Expenses	43.24	84.28
Vehicle & Conveyance	147.76	119.16

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Charity & Donation	1.86	3.17
Legal & Professional Expenses	141.42	21.99
Insurance Charges	22.76	14.81
CSR Expenses (Refer Note 46)	31.86	66.69
Payment to Auditors		
Audit Fee	7.50	4.95
Tax Audit Fee	-	-
Reimbursement of expenses	-	-
Books & Periodicals	4.22	1.52
Rates, Taxes and Filling Fee	39.48	26.88
Miscellaneous Expenses	186.29	179.20
TOTAL (B)	749.76	648.28
(C) Selling and Distribution Expenses		
Selling Expenses	267.33	118.99
Distribution Exp (Freight, Cartage & Insurance etc.)	531.25	874.22
TOTAL (C)	798.58	993.21
TOTAL (A+B+C)	2,539.57	2,468.60

37. Income Tax Expenses

(₹ in Lacs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
(i) Profit and Loss Section		
(a) Current tax	777.62	602.45
(b) Deferred tax (credit)/Charge	5.51	(130.77)
Income tax expense reported in the Statement of Profit and Loss	783.13	471.68
(ii) OCI section		
Deferred tax related to items recognised in OCI during the year:		
(a) Net loss/ (gain) on remeasurements of defined benefit plans	(5.14)	1.35
Income Tax Charged to OCI	(5.14)	1.35

38. Earning Per Share (EPS)

(₹ in Lacs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Net Profit After Tax as per Statements of Profit and Loss attributable to Equity Shareholder (₹ in Lacs)	1,888.43	1,488.65
Weighted Average Number of Equity Shares used as denominator for calculating EPS	2,03,03,126	2,03,03,126
Basic EPS in ₹	9.30	7.33
Diluted EPS in ₹	9.30	7.33
Face Value Per Equity Share in ₹	10.00	10.00

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

39. Employee Benefits

A. Defined contribution plans:

The Company makes contributions to defined contribution plans i.e. provident fund, employee state insurance and other funds for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company has recognised the following amounts in the statement of profit and loss:

(₹ in Lacs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Contribution to Provident Fund	29.65	27.48
Contribution to Employee' state insurance corporation	1.32	1.89

B. Defined benefit plans:

The Company's gratuity scheme provides for lump sum payment to vested employees on retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of 6 months. Vesting occurs upon completion of 5 years of service.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans.

Valuations in respect of Gratuity has been carried out by independent actuary, as at the Balance Sheet date, based on the following assumptions:

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Discount Rate (per annum)	7.54	6.79
(b) Future Salary Increase	5.5	5.5
(c) Expected rate of Return on Plan Assets	-	-
(d) Normal Retirement Age	58	58
(e) Mortality Rate	100% of IALM (2012-14)	100% of IALM (2012-14)
(f) Attrition / Withdrawal rates, based on age: (per annum)		
Up to 30 years	3%	3%
31-44 years	2%	2%
Above 44 years	1%	1%
(g) Method used	Projected unit credit Method	Projected unit credit Method

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Summary of membership data

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Number of Employees	94	105
(b) Total Monthly Salary (Lacs)	22.98	31.46
(c) Average past Service (Years)	11.78	10.54
(d) Average Age (Years)	43.36	42.08
(e) Average remaining working life (Years)	14.64	15.92
(f) Weighted average duration	13.78	13.49

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

Changes in the Present Value of Obligation

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Present Value of Obligation as on Opening date	139.18	122.51
(b) Acquisition adjustment	-	-
(c) Interest Cost	9.45	8.86
(d) Past Service Cost	-	-
(e) Current Service Cost	10.59	11.09
(f) Curtailment Cost/(Credit)	-	-
(g) Settlement Cost/(Credit)	-	-
(h) Benefits Paid/Received	(16.03)	(7.90)
(i) Actuarial Loss/(Gain)	(17.66)	4.62
(j) Present Value of Obligation as Closing date	125.53	139.18

Reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Present Value of funded Obligation	125.53	139.18
(b) Fair Value of Plan Assets	-	-
(c) Funded (Asset) / Liability recognized in the Balance Sheet (Net)	125.53	139.18

There are no plan assets as on March 31, 2026 and March 31, 2025 for defined benefit gratuity plan.

Amount recognized in the Balance Sheet

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Present Value of obligation	125.53	139.18
(b) Fair Value of Plan Assets	-	-
(c) (Asset) / Liability recognized in the Balance Sheet (Net)	125.53	139.18
Current Liabilities	8.40	26.73
Non-Current Liabilities	117.13	112.45
Total	125.53	139.18

Expenses recognized in the Statement of Profit and Loss

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Current Service Cost	10.59	11.09
(b) Past Service Cost	-	-
(c) Interest Cost	9.45	8.86
(d) Expected Return on Plan Assets	-	-
(e) Curtailment Cost/(Credit)	-	-
(f) Settlement Cost/(Credit)	-	-
Total Expenses recognized in the Statement of Profit and Loss	20.04	19.95

Notes to the Standalone Financial Statements

 For the year ended on 31st March, 2026

Amount recognised in Other Comprehensive Income

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Net actuarial (Gain)/Loss		
- Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	-
- Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(9.04)	4.93
- Actuarial (Gain)/Loss on arising from Experience Adjustment	(8.62)	(0.31)
Total Expenses/(Income) recognized in the Other Comprehensive Income	(17.66)	4.62

Experience adjustments

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Present value of the obligation as at the end of year	125.53	139.17	122.51	130.93	109.16
Experience gain / (loss) adjustment on plan liabilities	8.62	0.31	1.18	22.25	-

Expected Contribution during the next annual reporting period

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Current Service Cost	11.37	11.73
(b) Interest Cost	9.47	9.45
Expected expense for the next annual reporting period	20.84	21.18

Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Defined benefit obligations	125.53	139.18

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Impact due to Increase of 0.5% discount rate	(5.51)	(5.58)
Impact due to decrease of 0.5% discount rate	5.92	6.02
Impact due to Increase of 0.5% in Salary increase	6.01	6.06
Impact due to decrease of 0.5% in Salary increase	(5.64)	(5.67)

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated. Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

Maturity Profile of Defined Benefit Obligation

(₹ in Lacs)		
Year	As at March 31, 2026	As at March 31, 2025
0 to 1 year	8.40	26.74
1 to 2 year	10.56	6.94
2 to 3 year	5.90	9.30
3 to 4 year	5.53	5.01
4 to 5 year	10.05	4.60
5 to 6 year	8.13	8.01
6 year onwards	76.96	78.59

C. Other long term employee benefit

Leave Encashment expenses recognized in the books of account amounting to ₹Nil for the year ended March 31, 2026 (March 31, 2025 ₹8.37 Lakhs) on the basis of actuarial valuation basis as on balance sheet date. The liability is paid annually or during the year. It is non-funded.

40. Dividend

(₹ in Lacs)		
Particulars	March 31, 2026	March 31, 2025
Dividend on equity shares declared and paid during the year:	365.46	365.46
Final dividend of ₹0.60 per share (March 31, 2025 ₹0.60 per share) during the year		

The Board of directors in their meeting held on May 21, 2026 have recommended final dividend of 6% i.e. ₹0.60 per equity share, for the financial year 2025-26, which is subject to the approval of the shareholders in the ensuing annual general meeting.

41. Contingent Liabilities

(₹ in Lacs)		
Particulars	As at March 31, 2026	As at March 31, 2025
Claims against the Company not acknowledged as debts (being contested):-	907.20	790.30
(i) For Income Tax (AY 17-18, AY 18-19, AY 20-21 & AY 23-24) cases are pending with Appellate Authorities of Income Tax Department))		

42. Commitments

(₹ in Lacs)		
Particulars	As at March 31, 2026	As at March 31, 2025
(a) Guarantees issued on behalf of subsidiaries for business purposes	-	-
(b) Guarantees issued for business purposes#	533.90	657.20
(c) Letter of credit opened by Banks	-	2,545.06

mainly issued in favour of ONGC Ltd., Oil India Ltd. and Vedanta Ltd. for business purposes.

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

43. Related Party Disclosures (as per Ind As-24)

Following are the list of related parties with whom transactions occurred during the year or in the previous year

i. List of related parties and relationships:-

I. Key managerial personnel (KMPs) and their relatives

Shri Pramod Kumar Gupta	- Director (w.e.f 12/08/2025)
Shri (Dr.) Kanal Gupta	- Managing Director (w.e.f 12/08/2025)
Shri Inderpal Sharma	- Whole Time Director
Shri Pandian Kalyanansundaram	- Independent Director (upto 20/05/2026)
Shri Ved Prakash Mahawar	- Independent Director
Smt. Preet Verma	- Independent Director
Shri Khitish Kumar Nayak	- Independent Director (w.e.f 12/08/2025)
Shri Manoj Kumar Arora	- Chief Financial Officer
Shri Anand Kumar Mishra	- Company Secretary

II. Subsidiary Company

P Mittal Manufacturing Pvt. Ltd. - Wholly Owned Subsidiary

III. Entities over which key Management Personnel/or their relatives have control or joint control

Parveen Industries Pvt. Ltd.
 American Completion Tools Inc
 Oil Drilling Consultancy Services

ii. Terms and conditions of transactions with related parties

The transactions with related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

43A. Transactions with KMPs or their relative

(₹ in Lacs)

Particulars	For the year ended 2026	For the year ended 2025
I. Remuneration Paid		
Shri Pramod Kumar Gupta	65.32	171.29
Shri (Dr.) Kanal Gupta	39.48	48.00
Shri Inderpal Sharma	12.75	12.61
Shri Manoj Kumar Arora	20.43	19.22
Shri Anand Kumar Mishra	13.56	12.55
II. Director sitting fees paid		
Shri Krishan Diyal Aggarwal	-	0.90
Shri Ved Prakash Mahawar	1.50	2.35
Shri Pandian Kalyanasundaram	2.00	2.35
Smt. Preet Verma	2.00	2.35
Shri Khitish Kumar Nayak	0.50	-

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

Particulars	For the year ended 2026	For the year ended 2025
III. Dividend Paid		
Shri Pramod Kumar Gupta	258.55	258.55
Shri (Dr.) Kanal Gupta	0.05	0.05
IV. Consultancy fees paid		
M/s Oil Drilling Consultancy Services	94.80	-
Balances (payable)/receivable outstanding at the end of the year		
Shri Pramod Kumar Gupta (Cr)	-	9.75
Shri (Dr.) Kanal Gupta (Cr)	2.98	2.98
Shri Inderpal Sharma (Cr)	-	1.03
Shri Manoj Kumar Arora (Cr)	1.38	1.28
Shri Anand Kumar Mishra (Cr)	1.08	1.00

Amount payable to Key Managerial Personnel does not includes provision towards post employee benefits and details of remuneration to Key Managerial Personnel are as follows:

Details of Remuneration to Key Managerial Personnel are as follows:

Particulars	For the year ended 2026	For the year ended 2025
Short Term Benefits	246.34	263.67
Post Employee Benefits (payment basis)	-	-
Total	246.34	263.67

(₹ in Lacs)

Remuneration as specified under Section 197 of the Act, as recommended by Nomination and Remuneration Committee, approved by Board and further approved by shareholders at Annual General Meeting / through Postal Ballot.

43B. Transaction(s) with Subsidiary Company

Particulars	For the year ended 2026	For the year ended 2025
P Mittal Manufacturing Pvt Ltd		
Sales	95.23	398.69
Job Work	645.01	454.45
Purchase	106.65	129.69
Interest received on Loan	95.25	95.25
Rent Paid	24.00	24.00
Rent Received	24.00	24.00
Rent on Machinery	9.00	4.09

(₹ in Lacs)

Notes to the Standalone Financial Statements

 For the year ended on 31st March, 2026

43C. Transactions with other related parties

(₹ in Lacs)

Particulars	For the year ended 2026	For the year ended 2025
Purchase		
Parveen Industries Pvt Ltd.	38.76	74.45
American Completion Tools Inc	-	88.80
Sales		
Parveen Industries Pvt Ltd.	723.28	-
American Completion Tools Inc	-	2,804.72

(₹ in Lacs)

Particulars	For the year ended 2026	For the year ended 2025
Parveen Industries Pvt Ltd. (Cr.)	0.26	-
Parveen Industries Pvt Ltd. (Dr.)	0.80	-
American Completion Tools Inc (Cr.)	100.06	90.47
American Completion Tools Inc (Dr.)	2,256.12	2,296.61
P Mittal Manufacturing Pvt Ltd (Dr.)	592.02	1,031.61
P Mittal Manufacturing PvtLtd Loan Ac (Dr.)	1,150.00	1,150.00

44. Disclosure on lease transactions pursuant to Ind AS 116 – Leases

The Company's lease asset class primarily consists of leases for land. With the exception of short-term leases, leases of low-value and cancellable long-term leases underlying assets, each lease is reflected on the balance sheet as a right of use asset and a lease liability.

Lease liabilities are measured at the present value of the remaining lease payments, discounted using the weighted average borrowing rate ranging 9.30% p.a. Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right of use asset can only be used by the Company. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets other than leasehold lands as security against the Company's other debts and liabilities.

(i) The carrying amounts of Lease liabilities and movement during the year:

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	51.83	-
Additions	-	62.04
Interest accretion	4.40	4.30
Repayments of lease liabilities	(15.21)	(15.51)
Non Cash Movements	0.01	-
Balance at the end of the year	41.03	51.83
Current	6.16	10.83
Non-current	34.87	41.00
Total	41.03	51.83

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

(ii) The recognised right of use assets relate to land as at 31 March 2026 and 31 March 2025:

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Right of use assets - land		
Balance at the beginning of the year	51.26	-
Additions for the year	-	62.04
Amortisation charge for the year	(13.02)	(10.78)
Balance at the end of the year	38.24	51.26

(iii) The following amounts are recognised in Standalone Statement of P&L:

(₹ in Lacs)

Particulars	For the year ended 2026	For the year ended 2025
Amortisation charge on right of use assets	13.02	10.78
Interest expense on lease liabilities	4.40	4.30
Total	17.42	15.08

(iv) Lease payments not recognised as a liability

The Company has elected not to recognise a lease liability for short-term leases (leases with an expected term of 12 months or less), cancellable long-term leases and for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The expense relating to payments not included in the measurement of the lease liability for short term leases is ₹90.22 lakhs (31 March 2025 ₹89.21 lakhs).

(v) Refer Standalone Cash Flow Statement for total cash outflow for leases.

(vi) Maturity of lease liabilities

The undiscounted amount of lease payments commitment under non-cancellable lease were as follows:

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Not later than 1 year	6.16	10.83
Later than 1 year not later than 5 years	34.87	41.00
Later than 5 years	-	-
Balance at the end of the year	41.03	51.83

45. The business activities of the Company predominantly fall within a single reportable business segment. There are no separately reportable business or geographical segments that meet the criteria prescribed in Ind AS 108 on Operating Segments. The aforesaid is in line with review of operating results by the chief operating decision maker.

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

Other Segment reporting on the basis of Local Currency and Foreign Currency segments as below:

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Segmental Revenue		
- In local currency	17,362.88	13,436.01
- In foreign currency	814.83	3,773.05
Total Revenue	18,177.71	17,209.06
Segmental Assets		
- In local currency	27,489.90	30,440.66
- In foreign currency	2,764.47	3,093.13
Total Assets	30,254.37	33,533.79
Segmental Liabilities		
- In local currency	30,144.22	33,274.76
- In foreign currency	110.15	259.03
Total Liabilities	30,254.37	33,533.79

46. Details of Corporate Social Responsibility (CSR) expenditure

In accordance with the provisions of section 135 of the Companies Act, 2013, the Board of Directors of the Company had constituted CSR Committee. The detail for CSR activities is as follows:

(₹ in Lacs)

Particulars	For the year ended 2026	For the year ended 2025
a) Gross amount required to be spent by the Company during the year	31.82	66.50
b) Amount approved by Board to be spent during the year	31.62	66.69
c) Amount spent during the year on the following:		
1. Construction / Acquisition of any asset	-	-
2. On purpose other than 1 above	31.86	66.69
d) Excess amount spent on CSR as per Section 135(5) of Companies Act, 2013:		
1. Opening balance of excess amount spent	0.20	0.01
2. Utilized during the year	(0.20)	
3. Excess spent during the year	0.24	0.19
4. Closing balance of total excess amount spent	0.24	0.20
e) Total of previous year shortfall	-	-
f) Reason for shortfall	Not Applicable	Not Applicable
g) Nature of CSR activities	Promoting Healthcare, Education, Environmental Substantiality, Animal Welfare, vocational skills etc.	Promoting Healthcare, Education, environmental sustainability, rural development, animal welfare etc.

The Company does not carry any provisions for corporate social responsibility expenses for current year and previous year.

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

47. Trade receivable ageing schedule (per transaction)

(₹ in Lacs)

Particulars	Outstanding from due date of payment					Total as at March 31, 2026
	Less Than 6 Months	6 Months - 1 Years	1-2 Years	2-3 Years	More Than 3 Years	
Undisputed trade receivables - considered good	3,891.89	559.37	2,256.26	112.89	195.50	7,015.91
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
Disputed Trade receivables - considered Good	-	-	-	-	141.19	141.19
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	3,891.89	559.37	2,256.26	112.89	336.69	7,157.10

(₹ in Lacs)

Particulars	Outstanding from due date of payment					Total as at March 31, 2025
	Less Than 6 Months	6 Months - 1 Years	1-2 Years	2-3 Years	More Than 3 Years	
Undisputed trade receivables - considered good	5,730.53	2,183.85	458.19	80.67	165.63	8,616.87
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
Disputed Trade receivables - considered Good	-	-	-	-	88.55	88.55
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	5,730.53	2,183.85	458.19	80.67	254.18	8,707.42

There are no unbilled dues recoverable as at March 31, 2026 or March 31, 2025.

48. Trade Payables ageing schedule (per transaction)

(₹ in Lacs)

Particulars	Outstanding from due date of payment				Total as at March 31, 2026
	Less Than 1 Years	1-2 Years	2-3 Years	More Than 3 Years	
Undisputed trade payable					
MSME	85.91	-	-	-	85.91
Others	838.42	107.31	1.14	-	946.87
Disputed trade payable					
MSME	-	-	-	-	-
Others	-	-	-	-	-
Total	924.33	107.31	1.14	-	1,032.78

Notes to the Standalone Financial Statements

 For the year ended on 31st March, 2026

(₹ in Lacs)

Particulars	Outstanding from due date of payment				Total as at March 31, 2025
	Less Than 1 Years	1-2 Years	2-3 Years	More Than 3 Years	
Undisputed trade payable					
MSME	23.82	-	-	-	23.82
Others	2,476.62	1.14	-	-	2,477.76
Disputed trade payable					
MSME	-	-	-	-	-
Others	-	-	-	-	-
Total	2,500.44	1.14	-	-	2,501.58

49. Capital Management

Capital includes equity attributable to the equity holders of the Company. The primary objective of the company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximize shareholder value.

The company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements.

The amounts managed as capital by the Company for the reporting periods are summarised as follows:

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Total Liabilities	2,420.44	7,222.82
Less: Cash and Cash Equivalents	16.76	20.86
Net Debt (A)	2,403.65	7,201.96
Equity Share Capital	2,030.31	2,030.31
Other Equity	25,803.62	24,280.66
Total Equity (B)	27,833.93	26,310.97
Gearing Ratio (Debt / Equity) (A/B)	8.64%	27.37%

No changes were made in the objectives, policies or processes during the year ended March 31, 2026 and year ended March 31, 2025.

50. Assets pledged as security

The carrying amount of assets pledged as security are:

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current Assets		
(a) Property, Plant & Equipment	2,754.76	2,623.89
(b) Capital work in progress	-	206.19
(c) Intangible Assets	2,027.11	2,088.93
(d) Financial Assets	-	-
(e) Other financial assets	1,167.51	789.53
(f) Other non-current assets	51.05	34.47

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

Particulars	As at March 31, 2026	As at March 31, 2025
Current Assets		
(a) Inventories	13,351.41	14,250.05
(b) Financial Assets		
(i) Trade Receivables	7,157.10	8,707.42
(ii) Cash and Cash Equivalents	16.79	20.86
(iii) Other Bank balances	126.17	135.12
(iv) Other financial assets	5.13	1.07
(c) Other Current Assets	756.88	1,679.46
Total	27,413.91	30,536.99

51. Information under Section 186 (4) of the Companies Act, 2013 and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements), 2015

(i) Name of the Loanee

(₹ in Lacs)

Particulars	Rate of Interest	Secured / Unsecured	Maximum balance o/s during the year 2026	As at March 31, 2026	Maximum balance o/s during the year 2025	As at March 31, 2025
P Mittal Manufacturing Private Limited	As per below	Unsecured	1,150.00	1,150.00	1,150.00	1,150.00

The Company has provided unsecured loan of ₹1,150.00 lacs (Previous Year 1,150.00 lacs) to P Mittal Manufacturing Pvt. Ltd., a wholly owned subsidiary company, with relevant approval of the Board of Directors and Shareholders. The loan is subject to the minimum interest @ 8.00% p.a. on ₹550.00 lacs & @ 8.50% on ₹600.00 lacs as per terms of agreement, and repayable not later than 3 years and 5 Years, respectively from the date of disbursement. The loan is given for business purposes.

(ii) Name of the Investee

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
P Mittal Manufacturing Pvt Ltd	126.07	126.07

52. Financial instruments by category

(₹ in Lacs)

Particulars	Carrying Value / Fair Value	
	As at March 31, 2026	As at March 31, 2025
Financial Assets		
Measured at amortized cost		
Trade Receivables	7,157.10	8,707.42
Cash and Cash Equivalents	16.79	20.86
Other Bank balances	126.17	135.12
Other financial assets	5.13	1.07
Financial Liabilities		
Measured at amortized cost		
Borrowings	189.39	3,036.53
Lease Liabilities	6.16	10.83
Trade payable	1,032.78	2,501.58
Other financial liabilities	397.04	529.45

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant available data. The fair values of the financial assets and liabilities represents the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods/ assumptions were used to estimate the fair values:

- a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.
- b) Fair valuation of non-current financial assets has been disclosed to be same as carrying value as there is no significant difference between carrying value and fair value.

There are no transfers between Level 1, Level 2 and Level 3 during the year ended March 31, 2026 and March 31, 2025.

53. Financial risk management objectives and policies

The Company's business activities expose it to a variety of financial risks, namely credit risk, liquidity risk, market risk and commodity risk. The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Management Committee which is responsible for developing and monitoring the Company's risk management policies. The key risks and mitigating actions are also placed before the Audit Committee of the Company. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is responsible for formulating an appropriate financial risk governance framework for the Company and periodically reviewing the same. The company's senior management ensures that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The company's senior management review and agree to policies for managing each of these risks, which are summarised below:

A) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, foreign currency risk and price risk.

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk. The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. The Company don't have any long term borrowings except vehicle loans on fixed interest rate basis, therefore sensitivity analysis is not given. As regards working capital borrowing, the Company has floating rate of interest. The impact of interest rate on working capital not determinable, therefore sensitivity analysis is not given.

(ii) Foreign currency risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The functional currency of the Company is Indian Rupees ('INR'). Most of the Company's transactions are carried out in Indian Rupees. Exposures to currency exchange rates mainly arise from the Company's overseas sales and purchases which are primarily denominated in US Dollars ('USD') and Euro ('EURO').

The Company has limited exposure to foreign currency risk as certain transactions of the Company act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies.

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

The carrying amounts of the Company's foreign currency denominated monetary items are restated at the end of each reporting period. Foreign currency denominated financial assets and liabilities which expose the Company to currency risk are as follows:

Particulars	Period	Foreign Currency		Local Currency	
Trade Receivable	March 31, 2026	USD	26.69	₹	2526.75
	March 31, 2025	USD	31.29	₹	2677.63
Advances	March 31, 2026	USD	0.87	₹	82.45
	March 31, 2025	USD	4.55	₹	391.36
	March 31, 2026	EURO	-	₹	-
	March 31, 2025	EURO	0.20	₹	18.09
	March 31, 2026	GBP	1.26	₹	155.27
	March 31, 2025	GBP	0.05	₹	6.06
Trade Payable	March 31, 2026	USD	1.16	₹	110.15
	March 31, 2025	USD	3.03	₹	259.03

(iii) Price risk

The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The company uses prevailing market price method to buy the material, as inventory of raw material and sometimes for procurement of material, majority of transactions have short term fixed price contract.

B) Credit Risk

Credit Risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Company measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

The Company extends credit to customers as per the contractual obligation and internal credit policy. Any deviation are approved by appropriate authorities, after due consideration of the customers credentials and financial capacity, trade practices and prevailing business and economic conditions. The Company's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables and contract assets are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the customers etc. Loss allowances and impairment is recognized as per the Company policy.

The credit risk for cash and cash equivalents and bank deposits including interest accrued thereon is considered negligible, since the counterparties are reputable banks with high quality external credit ratings. The credit risk for loans o subsidiary company including interest accrued thereon is also considered negligible since operations of these entities are regularly monitored by the Company and these companies have shown considerable growth.

C) Liquidity Risk

Liquidity risk is the risk that the company will encounter difficulty in meeting financial obligations due to shortage of funds. The company exposure to liquidity risk arises primarily from mismatch of the maturities of financial assets and liabilities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

Due to the dynamic nature of the underlying businesses, Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

The following are the undiscounted contractual maturities of the Company's financial liabilities as at March 31, 2026:

(₹ in Lacs)

Particulars	Upto 1 year	1-5 years	More than 5 years	Carrying amount
Trade payable	1,032.78	-	-	1,032.78
Borrowings	189.39	87.34	-	276.73
Lease liabilities	6.16	34.87	-	41.03
Other financial liabilities	397.04	-	-	397.04
Total	1,625.37	122.21	-	1,747.58

The following are the undiscounted contractual maturities of the Company's financial liabilities as at March 31, 2025:

(₹ in Lacs)

Particulars	Upto 1 year	1-5 years	More than 5 years	Carrying amount
Trade payable	2,501.58	-	-	2501.58
Borrowings	3,036.35	112.18	-	3,148.53
Lease liabilities	10.83	41.00	-	51.83
Other financial liabilities	529.45	-	-	529.45
Total	6,078.21	153.18	-	6,231.39

54. Financial Ratio

Ratio	Measurement Unit	Numerator	Denominator	March 31, 2026	March 31, 2025	Change	Reason for variance if more than 25%
Current Ratio	Times	Current Assets	Current Liabilities (inclusive of current maturities of long-term debts)	11.81	3.77	213.28%	Increase- Due to Decrease in Trade payables and short term borrowings
Debt Equity ratio	Times	Total Debt (non-current borrowings + current borrowings + lease liabilities)	Total equity	0.01	0.12	-90.00%	Decrease- Due to decrease in Borrowings.
Debt service coverage ratio	Times	Earnings available for debt service [Profit/(loss) after tax + Depreciation and amortisation + impairment + finance cost + profit on sale of property, plant and equipment, investment + other non cash adjustments]	Debt service (interest and lease payments + principal repayments)	7.08	6.41	10.45%	Not Applicable

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

Ratio	Measurement Unit	Numerator	Denominator	March 31, 2026	March 31, 2025	Change	Reason for variance if more than 25%
Return on Equity Ratio	%	Net profit after tax	Average shareholder's equity [(opening shareholder's equity + closing shareholder's equity)/2]	6.98%	5.79%	20.55%	Not Applicable
Inventory turnover ratio	Times	Costs of materials consumed + Purchases of stock-in-trade + Changes in inventories of traded goods	Average inventories [(opening inventories + closing inventories) /2]	0.84	0.68	23.26%	Not Applicable
Trade Receivables turnover ratio	Times	Revenue from operations	Average trade receivables [(opening trade receivables + closing trade receivables) /2]	2.29	2.33	-1.65%	Not Applicable
Trade payables turnover ratio	Times	Net purchases	Average trade payables [(opening trade payables + closing trade payables) /2]	6.04	1.68	259.34%	Decrease- Due to decrease in Trade payables during the year.
Net capital turnover ratio	Times	Revenue from operations	Working capital [current assets - current liabilities inclusive of current maturities of long-term debts]	0.93	0.94	-1.24%	Not Applicable
Net profit ratio	%	Net profit after tax	Revenue from operations	10.39%	8.65%	20.10%	Not Applicable
Return on Capital employed	%	Earnings before interest and taxes	Capital employed = Tangible net worth* + total debt** + deferred tax liabilities	10.60%	8.00%	32.44%	Increase- Due to increase in Profitability.
Return on Investments	%	Earnings before interest and tax	Total assets	9.96%	7.00%	42.28%	Increase- Due to increase in Profitability.

Note:

* Tangible net worth- equity share capital + other equity.

** Total debt- non-current and current borrowings + non-current and current lease liabilities.

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

55. Disclosure pursuant to IND AS -7 "Statement of Cash Flows" – changes in liabilities because of financing activities:

(₹ in Lacs)

Particulars	April 01, 2025	Cash Flow (Net)	Changes in fair value	Non-cash Changes	March 31, 2026
Lease liabilities	51.83	(15.21)	4.41	-	41.03
Borrowings	3,148.72	(2,871.99)	-	-	276.73

(₹ in Lacs)

Particulars	April 01, 2024	Cash Flow (Net)	Changes in fair value	Non-cash Changes	March 31, 2025
Lease Liabilities	-	(14.51)	4.30	62.04	51.83
Borrowings	3,273.57	(124.85)	-	-	3,148.72

56. Additional regulatory information

- a) All the immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are held in the name of the company.
- b) There are no Loans or Advances in the nature of loans which has been granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are: (i) repayable on demand; or (ii) without specifying any terms or period of repayment.
- c) The Company has not entered into any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013 during the year or in the previous year.
- d) The Company does not have any Benami property and no proceedings have been initiated or pending against the Company for holding any Benami property, under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.
- e) The Company does not have any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
 There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
 The Company has not traded or invested in Crypto currency or Virtual Currency during the current and previous financial year.
- f) The Company has not advanced or provided loan to or invested funds in any entity(ies) including foreign entities (Intermediaries) or to any other person(s), with the understanding that the Intermediary shall:
 - (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- g) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (ii) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- h) The Company has not undertaken any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

Notes to the Standalone Financial Statements

For the year ended on 31st March, 2026

- i) The Company has not been declared a 'Wilful Defaulter' by any bank (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
 - j) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
 - k) The borrowings obtained by the Company from banks have been applied for the purposes for which such loans were taken.
 - l) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
 - m) The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.
- 57.** The company is doing further research in enhanced recovery of oil from low performing oil well globally, the expenditure incurred is debited to intangible assets under development.
- 58.** The Standalone Financial Statements were authorised for issue by the directors on May 21, 2026.
- 59.** The figures for the previous year have been regrouped and rearranged wherever found necessary to make them comparable with those of current year.
- 60. Events after the reporting period:** The Board of Directors, at their meeting held on May 21, 2026, have recommended a final dividend of ₹0.60 per equity share for the financial year 2025-26, subject to the approval of the shareholders at the ensuing Annual General Meeting. (refer note 40).

The accompanying notes are an integral part of the Standalone Financial Statements.

As per our report of even date attached

For and on behalf of Board of Directors of United Drilling Tools Limited

For A P U & Company
Chartered Accountants
F R No. 019542N

Sd/-
CA Ankur Jain
Partner
M. No. FCA - 502270
UDIN - 26502270WDVMKV9366

Sd/-
Pramod Kumar Gupta
Director
DIN - 00619482

Sd/-
Kunal Gupta
Managing Director
DIN - 01050505

Sd/-
Ved Prakash Mahawar
Independent Director
DIN - 07208090

Sd/-
Preet Verma
Independent Director
DIN - 09124335

Sd/-
Khitish Kumar Nayak
Independent Director
DIN - 02155949

Sd/-
Inderpal Sharma
Whole-time Director
DIN - 07649251

Sd/-
Manoj Kumar Arora
Chief Financial Officer

Sd/-
Anand Kumar Mishra
Company Secretary

Date - 21/05/2026
Place - Noida

Independent Auditor's Report

To the Members of,
United Drilling Tools Limited
 Report on the audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of United Drilling Tools Limited (hereinafter referred to as the "Holding Company") and its subsidiary, P Mittal Manufacturing Private Limited (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2026, consolidated statement of profit and loss (and statement of other comprehensive income), consolidated statement of changes in equity, consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, and its consolidated profit & loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the

consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have reported key audit matters in our report of even date on the audit of standalone financial statements of the Holding Company with respect to capitalisation of Intangibles technology and patents and their useful life. We have determined that there are no other key audit matters to communicate in our report on the consolidated financial statements.

Other Matter

- The consolidated financial statements of the Group for the year ended 31st March 2025 (corresponding figures) were audited by the predecessor auditor, M/s. Sarupria Somani & Associates, Chartered Accountants (Firm Registration No. 010674C), who expressed an unmodified opinion vide their report dated 29th May 2025. Our opinion is not modified in respect of this matter.
- As per Consolidated financial statements, the statements includes the statements for the quarter ended March 31, 2026 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2026 and the published audited year-to-date figures up to the third quarter of the current financial year, which were subject to a limited review by us, as required under the Listing Regulations.

The consolidated statements include the financial Information of one subsidiary which have been reviewed by us, whose financial information reflect impact on total assets of ₹533.20 lacs as at March 31, 2026 and impact on revenue of ₹-147.67 lacs and ₹-209.45 Lacs for the quarter and year ended March 31, 2026 respectively (due to inter-company transactions), total net profit after tax of ₹10.87 lacs and ₹20.42 Lacs for the quarter and year ended March 31, 2026 respectively and net cash inflows of ₹6.82 lacs for the year ended March 31, 2026, as considered in the consolidated financial statements. These figures are after giving adjustment of holding-subsiidiary transactions in financial statements.

Our opinion on the Statement is not modified in respect of the above matter.

Information Other than the consolidated financial statements and Auditor's Report thereon

The Group's Board of Directors is responsible for the other information. The other information comprises the Management

Discussion and Analysis, Board's Report including Annexure to Board's Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with Governance for the consolidated financial statements

The Group's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the

disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in paragraphs 3(xxii) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and its subsidiary included in the consolidated financial statements, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books.
 - c. The Consolidated Balance Sheet, the Statement of profit & Loss account, (and statement of other comprehensive income), consolidated statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors of the Holding Company and its subsidiary company incorporated in India as on 31st March 2026 taken on record by the respective Boards of Directors, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company Group does not have any pending litigations which would impact its financial position.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. The clause "There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group".
 - iv. The respective managements of the holding and its subsidiary, which is company incorporate in India has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts , no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Group or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- v. The respective managements of the holding and its subsidiary, which is company incorporate in India has represented, that, to the best of its knowledge and belief, no funds have been received by the Group from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- vi. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- vii. The dividend declared and paid during the year by the Holding Company is in compliance with Section 123 of the Act. No dividend has been declared/paid by the subsidiary during the year.
- h. Based on our examination, which included test checks, the Holding Company and its subsidiary company incorporated in India have used accounting software(s) for maintaining their books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s), except [specify exceptions, if any]. Further, during the course of our audit, no instance of the audit trail feature being tampered with was noticed, and the audit trail has been preserved as per the statutory record-retention requirements.
- i. In our opinion and according to the information and explanations given to us, the remuneration paid during the year by the Holding Company and its subsidiary company incorporated in India to their respective directors is in accordance with the provisions of Section 197 of the Act.

For **A P U & Company**
Chartered Accountants
F R No. 019542N

Sd/-
CA Ankur Jain
Partner

Place - Noida
Date - 21/05/2026

M. No. FCA - 502270
UDIN - 26502270LYOPQV6930

ANNEXURE-A

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF UNITED DRILLING TOOLS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financial Controls over financial reporting of UNITED DRILLING TOOLS LIMITED ("the Holding Company") and its subsidiary company incorporated in India, as of March 31, 2026, in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Group's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Group's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance 168 Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Group's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Group's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Group are being made only in accordance with authorisations of management and directors of the Group; and provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Group's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary company incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were

operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **A P U & Company**
Chartered Accountants
F R No. 019542N

Sd/-
CA Ankur Jain
Partner

M. No. FCA - 502270
UDIN - 26502270LYOPQV6930

Place - Noida
Date - 21/05/2026

Consolidated Balance Sheet

 As at 31st March, 2026

(₹ in Lacs)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
(1) Non Current Assets			
Property, plant and equipment	4	3,691.98	3,418.02
Capital work-in-progress	4	-	378.63
Right of use Assets	4	42.68	68.12
Intangible Assets	4	2,027.11	2,088.93
Intangible Assets under development	4	991.23	813.76
Financial Assets			
(i) Investments	5	-	-
(ii) Loans	6	-	-
(iii) Other financial assets	7	1,218.15	804.25
Income Tax Assets (Net)	8	556.39	855.71
Other non-current assets	9	158.67	202.00
Total Non Current Assets (1)		8,686.21	8,629.42
(2) Current Assets			
Inventories	10	14,458.02	15,458.80
Financial Assets			
(i) Trade receivables	11	6,565.17	7,676.35
(ii) Cash and cash equivalents	12	34.35	31.60
(iii) Other Bank Balances	13	126.17	135.12
(iv) Other Financial Assets	14	5.28	1.07
Other current assets	15	912.37	1,829.33
Total Current Assets (2)		22,101.36	25,132.27
Total Assets (1+2)		30,787.57	33,761.69
EQUITY AND LIABILITIES			
(1) Equity			
Equity Share Capital	16	2,030.31	2,030.31
Other Equity	17	25,933.49	24,390.14
Total Equity (1)		27,963.80	26,420.45
Liabilities			
(2) Non Current Liabilities			
Financial Liabilities			
(i) Borrowings	18	87.34	112.18
(ii) Lease Liabilities	19	34.87	41.00
Provisions	20	135.60	133.95
Deferred tax liabilities (Net)	21	338.27	334.73
Other non current liabilities	22	29.45	62.58
Total Non Current Liabilities (2)		625.53	684.44
(3) Current Liabilities			
Financial Liabilities			
(i) Borrowings	23	189.39	3,036.53
(ii) Lease Liabilities	24	10.96	24.19
(iii) Trade payables	25		
Dues to Micro and Small Enterprises		89.43	24.85
Other then dues to Micro and Small Enterprises		967.43	2,484.87
(iv) Other financial liabilities	26	427.01	529.45
Other Current Liabilities	27	448.07	467.53
Short Term Provisions	28	9.56	28.14
Current Tax Liabilities (Net)	29	56.39	61.24
Total Current Liabilities (3)		2,198.24	6,656.80
Total Liabilities (2+3)		2,823.77	7,341.24
Total Equity and Liabilities (1+2+3)		30,787.57	33,761.69
Material Accounting Policies	1-3		

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For A P U & Company
 Chartered Accountants
 F R No. 019542N

For and on behalf of Board of Directors of United Drilling Tools Limited

 Sd/-
CA Ankur Jain
 Partner
 M. No. FCA - 502270
 UDIN - 26502270LYOPQV6930

 Sd/-
Pramod Kumar Gupta
 Director
 DIN - 00619482

 Sd/-
Kunal Gupta
 Managing Director
 DIN - 01050505

 Sd/-
Ved Prakash Mahawar
 Independent Director
 DIN - 07208090

 Sd/-
Preet Verma
 Independent Director
 DIN - 09124335

 Sd/-
Khitish Kumar Nayak
 Independent Director
 DIN - 02155949

 Sd/-
Inderpal Sharma
 Whole-time Director
 DIN - 07649251

 Sd/-
Manoj Kumar Arora
 Chief Financial Officer

 Sd/-
Anand Kumar Mishra
 Company Secretary

 Date - 21/05/2026
 Place - Noida

Consolidated Statement of Profit & Loss

For the year ended on 31st March, 2026

(₹ in Lacs)

Particulars	Note No.	Year ended March 31, 2026	Year ended March 31, 2025
(1) Income			
Revenue from operations	30	18,111.88	16,827.43
Other Income	31	330.40	174.01
Total Income (1)		18,442.28	17,001.44
(2) Expenses			
Cost of Materials Consumed	32	9,993.03	9,786.62
Changes in Inventories of Finished goods and Work-in-Progress	33	1,631.38	833.77
Employee Benefit Expense	34	1,284.53	1,447.77
Financial Costs	35	355.68	274.41
Depreciation and Amortization Expense	4	453.89	498.37
Other Expenses	36	2,038.86	2,172.29
Total Expenses (2)		15,757.37	15,013.23
(3) Profit Before Tax (1-2)		2,684.91	1,988.21
(4) Tax Expense:	37		
(i) Current Tax		783.93	612.85
(ii) Deferred Tax Charge / (Income)		3.97	(127.16)
Total Tax Expense (4)		787.90	485.69
(5) Net Profit / (loss) for the year (3-4)		1,897.01	1,502.52
(6) Other Comprehensive Income			
A. Items that will not be reclassified to profit or loss			
(i) Re-measurement loss/(gain) on defined benefit plans		16.74	(4.64)
(ii) Income tax relating to above		(4.91)	1.35
B. Items that will be reclassified to profit or loss			
Income tax relating to above		-	-
Total other comprehensive income (6)		11.83	(3.29)
(7) Total comprehensive income for the year (5-6)		1,908.84	1,499.23
(8) Earning per Equity Share (Face value of ₹ 10/- each)	38		
(a) Basic		9.40	7.38
(b) Diluted		9.40	7.38
Material Accounting Policies	1-3		

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For and on behalf of Board of Directors of United Drilling Tools Limited

For A P U & CompanyChartered Accountants
F R No. 019542NSd/-
CA Ankur Jain
Partner
M. No. FCA - 502270
UDIN - 26502270LYOPQV6930Sd/-
Pramod Kumar Gupta
Director
DIN - 00619482Sd/-
Kunal Gupta
Managing Director
DIN - 01050505Sd/-
Ved Prakash Mahawar
Independent Director
DIN - 07208090Sd/-
Preet Verma
Independent Director
DIN - 09124335Sd/-
Khitish Kumar Nayak
Independent Director
DIN - 02155949Sd/-
Inderpal Sharma
Whole-time Director
DIN - 07649251Sd/-
Manoj Kumar Arora
Chief Financial OfficerSd/-
Anand Kumar Mishra
Company SecretaryDate - 21/05/2026
Place - Noida

Consolidated Cash Flow Statement

 For the year ended on 31st March, 2026

(₹ in Lacs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before Tax	2,684.91	1,988.21
Adjustment to reconcile profit before tax to net cash flows:		
Remeasurement gain/(loss) of defined benefit obligation in other comprehensive income	16.74	(4.64)
Interest Income	(49.76)	(57.99)
Interest Expenses	291.93	224.91
Interest Income on Lease liabilities	5.18	5.77
Depreciation and Amortisation	453.89	498.37
Writing of Preliminary	11.90	-
Profit on sale of property, plant and equipment	-	(2.19)
Operating profit before working capital changes	3,414.79	2,652.45
Working Capital adjustments:		
Decrease / (Increase) in Trade Receivables	1,111.18	(2,234.48)
Decrease / (Increase) in Inventories	1,000.78	3,739.53
Decrease / (Increase) in current and non-current financial assets and other current and non-current assets	542.18	34.77
Increase / (Decrease) in Trade payables	(1,452.86)	(3,234.78)
Increase / (Decrease) in current financial liabilities and other current and non-current liabilities	(171.96)	281.11
Cash Generated from operations	4,444.11	1,238.60
Income Tax Paid (Net)	(507.54)	(334.35)
Net Cash Flow from Operating Activities	3,936.57	904.25
CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Property, Plant & Equipment, Intangible Assets and capital work in progress	(437.39)	(328.13)
Proceeds from disposal of Property, Plant & Equipment	-	3.47
Change in other bank balances	8.95	(15.67)
Interest Received	49.76	57.99
Net Cash used in Investing Activities	(378.68)	(282.34)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	-	13.50
Repayment of long term borrowings	(24.84)	(24.15)
(Repayments) / Proceeds of short term borrowings (Net)	(2,847.14)	(94.68)
Payment of Lease Liabilities	(25.77)	(24.56)
Interest paid	(291.93)	(224.91)
Payment of Dividend	(365.46)	(365.46)
Net Cash Flow from Financing Activities	(3,555.14)	(720.26)

Consolidated Cash Flow Statement (Contd.)

For the year ended on 31st March, 2026

(₹ in Lacs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Net increase in cash and equivalents	2.75	(98.35)
Cash and Cash Equivalents as at 1.4.2024 (Op. Bal.)	31.60	129.95
Cash and Cash Equivalents as at 31.03.2025 (Clo.Bal.)	34.35	31.60
Components of Cash and Cash Equivalents		
Cash on hand	19.31	3.28
Balances with banks	15.04	28.32
Cash and Cash equivalents (Note 12)	34.35	31.60

The consolidated statement of cash flows has been prepared in accordance with the 'indirect method' as set out in the Indian Accounting Standard (Ind AS) - 7 - 'Statement of Cash Flows'.

Refer note 46 for amount spent during the financial year 31 March, 2026 and 31 March, 2025 relating to Corporate Social Responsibilities activities included in Net Cash Flow from Operating Activities.

Please refer note 55 for reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, as required by IND AS 7 'Statement of Cash Flows'.

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For and on behalf of Board of Directors of United Drilling Tools Limited

For A P U & Company

Chartered Accountants

F R No. 019542N

Sd/-

CA Ankur Jain

Partner

M. No. FCA - 502270

UDIN - 26502270LYOPQV6930

Sd/-

Pramod Kumar Gupta

Director

DIN - 00619482

Sd/-

Preet Verma

Independent Director

DIN - 09124335

Sd/-

Manoj Kumar Arora

Chief Financial Officer

Sd/-

Kunal Gupta

Managing Director

DIN - 01050505

Sd/-

Khitish Kumar Nayak

Independent Director

DIN - 02155949

Sd/-

Anand Kumar Mishra

Company Secretary

Sd/-

Ved Prakash Mahawar

Independent Director

DIN - 07208090

Sd/-

Inderpal Sharma

Whole-time Director

DIN - 07649251

Date - 21/05/2026

Place - Noida

Consolidated Statement of Change In Equity

 For the year ended on 31st March, 2026

(₹ in Lacs)

A. Equity Share Capital

Particulars	Balance at the beginning of the reporting period i.e; April 01, 2024	Changes in equity share capital during the year 2024-25	Balance at the end of the reporting period i.e; March 31, 2025	Changes in equity share capital during the year 2025-26	Balance at the end of the reporting period i.e; March 31, 2026
Equity Share Capital	2,030.31	-	2,030.31	-	2,030.31
Total	2,030.31	-	2,030.31	-	2,030.31

B. Other Equity

Particulars	Share Forfeiture Account	Reserves and Surplus				Total
		Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	
Balance at the beginning of the reporting period i.e; April 01, 2024	3.84	1,786.54	1,234.69	500.00	19,731.26	23,256.33
Profit for the year	-	-	-	-	1,502.52	1,502.52
Other comprehensive income for the year	-	-	-	-	(3.25)	(3.25)
Dividend Paid	-	-	-	-	(365.46)	(365.46)
Balance at the end of the reporting period i.e; March 31, 2025	3.84	1,786.54	1,234.69	500.00	20,865.07	24,390.14
Profit for the year	-	-	-	-	1,897.01	1,897.01
Other comprehensive income for the year	-	-	-	-	11.80	11.80
Dividend Paid	-	-	-	-	(365.46)	(365.46)
Balance at the end of the reporting period i.e; March 31, 2026	3.84	1,786.54	1,234.69	500.00	22,408.42	25,933.49

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For and on behalf of Board of Directors of United Drilling Tools Limited
For A P U & Company

Chartered Accountants

F R No. 019542N

 Sd/-
CA Ankur Jain
 Partner
 M. No. FCA - 502270
 UDIN - 26502270LYOPQV6930

 Sd/-
Pramod Kumar Gupta
 Director
 DIN - 00619482

 Sd/-
Kunal Gupta
 Managing Director
 DIN - 01050505

 Sd/-
Ved Prakash Mahawar
 Independent Director
 DIN - 07208090

 Sd/-
Preet Verma
 Independent Director
 DIN - 09124335

 Sd/-
Khitish Kumar Nayak
 Independent Director
 DIN - 02155949

 Sd/-
Inderpal Sharma
 Whole-time Director
 DIN - 07649251

 Date - 21/05/2026
 Place - Noida

 Sd/-
Manoj Kumar Arora
 Chief Financial Officer

 Sd/-
Anand Kumar Mishra
 Company Secretary

Material Accounting Policies

CORPORATE INFORMATION

United Drilling Tools Ltd. ("UDTL" or "the Company") is a public limited company incorporated and domiciled in India. The Company has one wholly owned subsidiary namely P Mittal manufacturing Private Limited. The Company ('the Parent') and its subsidiary are together referred to as 'the Group'. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange of India Limited (NSE) in India. The Company and its subsidiary are manufacturers of oil drilling related equipment in the country. The address of its registered office and Principal place of business are disclosed in the introduction to the annual report.

Under Companies Act, 2013, Group is defined as parent, subsidiary, joint ventures and associates for the purpose of these consolidated financial statements, the aforesaid definition under Companies Act 2013 has been considered.

Group is a leading manufacturer and supplier of Oil Drilling related equipment with manufacturing facilities in India. Its products have applications in oil and gas exploration.

The consolidated financial statements of the Group for the year ended 31st March 2026 were approved for issue by the Board of Directors in their meeting held on 21st May, 2026.

1. MATERIAL ACCOUNTING POLICIES

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements.

a. Basis of preparation and presentation

The consolidated financial statements of the Group comprise, the consolidated balance sheet as at 31st March, 2026, the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of the material accounting policies and other explanatory information (herein referred to as "consolidated financial statements"). These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of Companies Act, 2013 (the 'Act'), read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other relevant provisions of the Act. These consolidated financial statements have been prepared on a going concern basis and are presented in accordance with the requirements of Division II of Schedule III to the Act.

b. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary as at 31st March, 2026. The Company consolidates an investee when it controls the investee. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary.

The financial statements of the subsidiary are consolidated on a line-by-line basis by adding together like items of assets, liabilities, equity, income and expenses. Intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group, and any unrealised profits or losses arising therefrom, are eliminated in full on consolidation. The carrying amount of the Parent's investment in the subsidiary and the Parent's portion of equity of the subsidiary are eliminated on consolidation.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

c. Basis of Measurement

The consolidated financial statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

- certain financial assets and liabilities
- net defined benefit (asset)/ liability, measured at the present value of the defined benefit obligation less the fair value of plan assets, where funded.

The consolidated financial statements are presented in Indian Rupees, which is the functional currency of the Parent and the presentation currency of the Group and all amounts are rounded to the nearest lakhs (00,000) and two decimals thereof, except as stated otherwise

d. Use of Estimates and judgements

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting

Material Accounting Policies

estimates are recognized prospectively. (Refer Note 2 on critical accounting estimates, assumptions and judgments).

e. Measurement of fair values

Some of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. This includes a financial reporting team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Management. The financial reporting team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as pricing services, is used to measure fair values, then the financial reporting team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

f. Current versus non-current classification

The Group presents assets and liabilities in balance sheet based on current/non-current classification.

The Group has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

- i. Expected to be realised or intended to be sold or consumed in normal operating cycle,
- ii. Held primarily for the purpose of trading,
- iii. Expected to be realised within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when it is:

- i. Expected to be settled in normal operating cycle.
- ii. Held primarily for the purpose of trading,
- iii. Due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company has identified twelve months as its operating cycle.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

g. Property, Plant and Equipment

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and

Material Accounting Policies

removing the item and restoring the site on which it is located. Borrowing costs relating to acquisition of fixed assets, if material, are also included in cost to the extent they relate to the period till such assets are ready to be put to use.

Depreciation on Property, Plant and Equipment is provided on useful life of the assets on Written down Value method as specified in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Where significant parts of an item of property, plant and equipment have different useful lives, they are accounted for and depreciated as separate components. Subsequent costs are capitalised only when it is probable that future economic benefits associated with the expenditure will flow to the Group; costs of day-to-day servicing, repairs and maintenance are recognised in the Statement of Profit and Loss as incurred. Depreciation commences when the asset is available for its intended use and is provided pro-rata for additions and disposals during the year.

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The consequential gain or loss is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the Statement of profit and loss.

h. Impairment of Property, Plant and Equipment

At each reporting date, the Group assesses whether there is any indication that an asset or a cash generating unit ('CGU') may be impaired. If any such indication exists, the recoverable amount of the asset or CGU is estimated. Intangible assets under development are tested for impairment annually, irrespective of whether there is any indication of impairment. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time

value of money and the risks specific to the asset. An impairment loss is recognised in the Statement of Profit and Loss when the carrying amount of an asset or CGU exceeds its recoverable amount. An impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimates used to determine the asset's recoverable amount; such reversal is restricted so that the increased carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised in prior periods. After recognition or reversal of an impairment loss, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

i. Intangible Assets

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and accumulated impairment losses, if any. The cost comprises purchase/acquisition price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use.

Patented Technologies (acquired) is amortized over a period of 26 years life on Straight line method of Companies Act, 2013.

Computer Software is amortised @ 40% p.a. on the Written Down Value method, based on the useful life estimated by the management.

Patented Technologies (in-house developed) @ 5% p.a on the Written Down Value method, based on the useful life estimated by the management as supported by technical evaluation. The amortisation period and the amortisation method for an intangible asset are reviewed at least at each financial year-end; changes, if any, are accounted for as changes in accounting estimates. An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal, and the resulting gain or loss is recognised in the Statement of Profit and Loss.

j. Revenue Recognition

Sale of Goods

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods. Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer, which

Material Accounting Policies

generally coincides with the delivery of goods to customers, based on contracts with the customers. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government.

Sale of Services

Revenue from services is recognised over time as the services are rendered, since the customer simultaneously receives and consumes the benefits provided by the Company, measured using the method that best depicts the transfer of services to the customer, based on the contractual terms with the parties.

Interest Income:

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate ("EIR"). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial assets. Interest income is included in other income in the Statement of Profit and Loss.

Export Benefits / Incentives:

Export incentives under schemes notified by the Government of India, including the Remission of Duties and Taxes on Exported Products ('RoDTEP') scheme and Duty Drawback, are recognised in the statement of profit and loss when the right to receive credit as per terms of the scheme is established in respect of export made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Dividend Income:

Dividend Income is recognised when the Group's right to receive the payment is established and it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of dividend can be measured reliably.

k. Inventories

- i. Inventories of Finished Goods, Work in progress, Raw materials, Packing materials and Stores & Spares are stated at lower of cost and net realizable value.

- ii. Cost of Raw Materials, Packing Materials, Stores and Spares, Trading and other products are net of input tax credit.
- iii. Cost of Work in progress and Finished Goods is determined considering direct material cost and appropriate portion of manufacturing overheads based on normal operating capacity.
- iv. Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and where necessary, either written off or provision is made for such inventories.
- v. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

I. Employee Benefit

Short Term Employee Benefit:

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render such services.

Defined Contribution Plan:

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Employees benefits in the form of the Group's contribution to Provident Fund, Pension scheme, Superannuation Fund and Employees State Insurance is a defined contribution scheme and contributions are charged in statement of profit and loss in the periods during which the related services are rendered by employees.

Defined Benefit Plan:

Defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have

Material Accounting Policies

earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. Post-Employment benefits in the form of gratuity are considered as defined benefit obligations and are provided for on the basis of actuarial valuation as at the date of Balance Sheet which is not funded. The defined benefit obligation is calculated annually by an independent actuary using the Projected Unit Credit method. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised immediately in Other Comprehensive Income in the period in which they occur, and are not reclassified to profit or loss in subsequent periods. Current service cost, past service cost and net interest on the net defined benefit liability are recognised in the Statement of Profit and Loss.

Other long-term employee benefits

The Group's net obligation in respect of compensated absence is the amount of future benefit that employees have earned in return for their service in the current and prior periods which is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurement gains or losses are recognised in statement of profit and loss in the period in which they arise.

m. Foreign Currency Transactions

Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Any gain or loss on account of exchange difference arising either on the settlement or on translation of foreign currency monetary items is recognised in the Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction and are not subsequently retranslated.

n. Research and Development

Expenditure incurred during the Research phase are recognized as expenses in statements of profit and loss. Expenditures incurred are capitalized and

recognized as "intangible asset under development" when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale.
- Its intention to complete and its ability and intention to use or sell the asset.
- How the asset will generate future economic benefits.
- The availability of resources to complete the asset.
- The ability to measure reliably the expenditure during development.

Intangible assets under development are transferred to Intangible Assets when development is complete, and the R&D Assets are available for use. R&D Assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Based on the management assessment and technical advice obtained, R&D Assets are amortized @5% p.a. on the Written down Value method. Amortisation commences when the asset is available for use in the manner intended by the management. The amortisation period and the amortisation method are reviewed at least at each financial year-end.

o. Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of such asset. A qualifying asset is one that necessarily takes a substantial period of time to get ready for intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

p. Tax Expenses

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current income tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 and rules thereunder. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax

Material Accounting Policies

laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity).

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their book bases. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax ("MAT") credit is recognised as an asset only when and to the extent there is convincing evidence that the relevant members of the Group will pay normal income tax during the specified period. Such asset is reviewed at each reporting period end and the adjusted based on circumstances then prevailing.

q. Leases

The Group as a lessee

The Group Company enters into an arrangement for lease of buildings and equipments. Such arrangements

are generally for a fixed period but may have extension or termination options. In accordance with Ind AS 116 – Leases, at inception of the contract, the Company assesses whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to control the use an asset (the underlying asset) for a period of time in exchange for consideration'.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses (unless such right of use assets fulfills the requirements of Ind AS 40 - Investment Property and is accounted for as there under), if any and adjusted for any re-measurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. Right-of-use asset are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortized cost using the effective interest rate method.

The Group presents right-of-use assets that do not meet the definition of investment property and lease liabilities as a separate line item in the consolidated financial statements of the Group.

The Group has elected not to apply the requirements of Ind AS 116 - Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value.

Material Accounting Policies

The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

r. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability in the notes and not provided for.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable.

s. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments of the Group.

Business Segment: The Group's operating business is engineering goods only and accordingly there is only one business segment.

Geographical information: Revenue from external customers is attributed to India and to foreign countries

on the basis of the location of the customers, and non-current assets are disclosed on the basis of their location, as required by Ind AS 108. Information about major customers contributing ten per cent or more of the Group's revenue is disclosed in the notes to the financial statements.

t. Earning Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted Earnings per Share, the net profit or loss for the period attributable to Equity Shareholders and the weighted average number of Shares outstanding during the period are adjusted for the effects of all dilutive potential Equity Shares.

u. Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Financial assets

All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost (except for financial assets that are designated as at fair value through profit or loss on initial recognition):

- the is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

Material Accounting Policies

- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for financial assets that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for financial assets other than those financial assets classified as at fair value through profit or loss. Interest income is recognised in the Statement of profit and Loss.

De-recognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the statement of profit and loss.

Impairment of financial assets

The assesses at each Balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit

losses to be measured through a loss allowance. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). The Company recognizes credit loss allowance at lifetime expected credit loss model for trade receivables that do not constitute a financing transaction. For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 and measures the loss allowance at an amount equal to lifetime expected credit losses, using a provision matrix based on historical credit loss experience, adjusted for forward-looking information. For all other financial assets, expected credit losses are measured at an amount equal to twelve-month expected credit losses, unless there has been a significant increase in credit risk since initial recognition, in which case lifetime expected credit losses are measured. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by an entity are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at fair value through profit or loss. Financial liabilities are classified as at fair value through profit or loss when the financial liability is held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition, it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

Material Accounting Policies

- it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities subsequently measured at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at fair value through profit or loss are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

De-recognition of financial liabilities

The derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in the statement of profit and loss.

v. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, balances with banks in current accounts, demand deposits and other short-term, highly liquid investments with original maturities of three months or less, which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Bank balances other than cash and cash equivalents are disclosed separately in accordance with the requirements of Schedule III to the Act.

w. Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated

with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

x. Government Grants

Government grants, including export incentives, are recognised where there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Grants related to income are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the related costs, for which they are intended to compensate, are recognised as expenses.

y. Dividend Distribution

The final dividend on equity shares is recognised as a liability in the period in which it is approved by the shareholders in the general meeting. Interim dividends are recognised as a liability in the period in which they are declared by the Board of Directors.

2. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS, JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Group's financial statements requires management to make judgment's, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Group has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

Useful lives of tangible/intangible assets

The Group reviews its estimate of the useful lives of tangible/intangible assets at each reporting date, based on the expected utility of the assets.

Material Accounting Policies

Defined benefit obligation

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. In view of the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forward can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

Recoverability of trade receivable and advances

Judgments are required in assessing the recoverability of overdue trade receivables and advances and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Measurement of expected credit losses

The measurement of impairment loss allowance for financial assets is based on assumptions about the risk of default and expected loss rates. The Group uses judgement in making these assumptions and in selecting the inputs to the impairment calculation, based on its past history, existing market conditions and forward-looking estimates at the end of each reporting period.

Leases – determination of lease term and discount rate

The Group applies judgement in determining the lease term where a contract contains extension or termination options, by assessing whether it is reasonably certain that such options will be exercised, and in determining the

incremental borrowing rate used to discount the lease liabilities.

Capitalisation of development expenditure

The Group applies judgement in assessing whether the recognition criteria prescribed under Ind AS 38 for capitalisation of development expenditure have been met, including the technical feasibility of completing the intangible asset and the probability of expected future economic benefits.

Provisions and Contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

3. Recent Accounting Pronouncements

The Ministry of Corporate Affairs ('MCA') notifies new Indian Accounting Standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules from time to time. [State, as at the date of approval of these financial statements, whether any new standards or amendments have been notified which are applicable to the Group from a future date, and their expected impact.]

For **A P U & Company**
 Chartered Accountants
 F R No. 019542N

Sd/-
CA Ankur Jain
 Partner

Place - Noida
 Date - 21/05/2026

M. No. FCA - 502270
 UDIN - 26502270LYOPQV6930

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

4. PROPERTY, PLANT & EQUIPMENT

₹ in Lacs

Own Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on April 01, 2024	Additions	Adjustment/ Deduction	As on April 01, 2025	Additions	Adjustment/ Deduction	As on April 01, 2025	For the Year	As on March 31, 2026	As on March 31, 2025
Tangible Assets (A)										
Land	381.69	-	-	381.69	-	-	-	-	381.69	381.69
Building	1,800.83	-	-	1,800.83	217.28	-	2,018.11	102.65	915.90	1,102.21
Office Building	1,349.52	-	-	1,349.52	-	-	1,349.52	62.50	188.01	1,161.51
Electric Fitting	156.90	0.17	-	157.07	45.30	-	202.37	7.33	134.88	67.49
Plant Machinery & Equipments										
Plant & Machinery	746.74	19.99	-	766.73	333.24	-	1,099.97	61.31	530.02	569.95
Tools & Dies	203.83	0.88	-	204.71	0.87	-	205.58	4.53	186.00	19.58
Generator	55.29	3.20	-	58.49	-	-	58.49	3.44	43.75	14.74
Testing & Other Equipment	378.92	28.89	-	407.81	28.84	-	436.65	32.74	325.99	110.66
Office Equipment	96.91	9.48	-	106.39	6.35	-	112.74	8.77	99.01	13.73
Safety Equipment	29.59	0.09	-	29.68	-	-	29.68	0.63	23.14	6.54
R&D Tech Equip P & M	255.56	-	-	255.56	-	-	255.56	17.04	196.89	58.67
Furniture & Fixture	150.48	4.51	-	154.99	0.27	-	155.26	22.20	108.22	47.04
Computer	64.05	1.83	-	65.88	3.01	-	68.89	4.34	65.68	3.21
Vehicles	507.67	19.43	41.14	485.96	-	-	485.96	83.32	351.00	134.96
TOTAL (A)	6,177.98	88.47	41.14	6,225.31	635.16	-	6,860.47	410.80	3,168.49	3,418.02
Intangible Assets*(B)										
Technology Assets	4,758.81	-	-	4,758.81	-	-	4,758.81	50.68	2,931.36	1,827.45
Patented Technologies (inhouse developed)	232.40	-	-	232.40	-	-	232.40	11.01	33.76	198.64
Software	21.27	-	-	21.27	-	-	21.27	1.12	20.25	1.02
TOTAL (B)	5,012.48	-	-	5,012.48	-	-	5,012.48	62.81	2,985.37	2,027.11
Right of use Assets (C)	-	92.87	-	92.87	5.43	-	98.30	24.75	55.62	42.68
TOTAL (A+B+C)	11,190.46	181.34	41.14	11,330.66	640.59	-	11,971.25	498.36	6,209.48	5,575.07
Intangible Assets under development	641.84	171.93	-	813.77	177.46	-	991.23	-	-	813.77
Capital WIP (Office)	-	-	-	-	-	-	-	-	-	-
Capital WIP (Factory)	50.13	84.57	-	134.70	128.94	-	263.64	-	-	134.70
Capital WIP (Others)	229.49	17.64	3.20	243.93	46.41	-	290.34	-	-	243.93

4.1 - For Properties pledged as security - refer Note 50

4.2 - Intangible Assets includes acquired and Patented intangibles include internally generated.

Notes to the Consolidated Financial Statements

 For the year ended on 31st March, 2026

4.3 - The Company assessed the probability of expected future economic benefits of intangible assets using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset. The future economic benefits flowing from the intangible assets include revenue from the sale of products, cost savings, or other benefits resulting from the use of the intangible asset by the Company. Therefore, basis the current usage patterns and operational dependency, Technological obsolescence trends, Internal assessments and technical evaluation, the useful life of Technology Assets is taken as 26 years and R&D Assets are being amortised @5% p.a. These estimates are reviewed periodically and adjusted prospectively if necessary.

(i) CWIP ageing schedule (₹ in Lacs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 yr	1-2 yrs	2-3 yrs	More than 3 yrs	
Projects in progress					
As at March 31, 2026	-	-	-	-	-
As at March 31, 2025	99.01	279.62	-	-	378.63

There are no projects as on each reporting period where activity has been suspended. Also, there are no projects as on each reporting period which has exceeded cost as compared to its original plan or where completion is overdue.

(ii) Intangible assets under development ageing schedule (₹ in Lacs)

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 yr	1-2 yrs	2-3 yrs	More than 3 yrs	
Projects in progress					
As at March 31, 2026	177.46	171.93	109.43	532.41	991.23
As at March 31, 2025	171.93	109.43	296.23	236.17	813.76

There are no projects as on each reporting period where activity has been suspended. Also, there are no projects as on each reporting period which has exceeded cost as compared to its original plan or where completion is overdue.

5. Investments

Particulars	As at	
	March 31, 2026	March 31, 2025
Investments	-	-
Total	-	-

Information about investments along with proportion of ownership interest held and country of incorporation are as follows:

Name of the Company	Proportion of ownership interests held by the Company at year end	
	As at March 31, 2026	As at March 31, 2025
P Mittal Manufacturing Pvt Ltd	100%	100%
Country of incorporation and principal place of business - India		

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

6. Loans

Particulars	(₹ in Lacs)	
	As at March 31, 2026	As at March 31, 2025
Loans carried at amortised cost	-	-
Total	-	-

Note : Please refer to note no. 43 on related party disclosure.

Refer note 51 for information required under Section 186 (4) of the Companies Act, 2013.

There are no loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties (as defined under Companies Act, 2013) that are either repayable on demand or without specifying any terms or period of repayment.

No Loan receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any Loan receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

7. Other Financial Assets

Particulars	(₹ in Lacs)	
	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Balance in deposit accounts with remaining maturity of more than 12 months (including interest accrued thereon)#	1,135.70	754.57
Security Deposits	82.45	49.68
Total	1,218.15	804.25

8. Income Tax Assets (Net)

Particulars	(₹ in Lacs)	
	As at March 31, 2026	As at March 31, 2025
Advance Income Tax (net of provisions)	556.39	855.71
Total	556.39	855.71

9. Other Non Current Assets

Particulars	(₹ in Lacs)	
	As at March 31, 2026	As at March 31, 2025
Advance to vendors	51.60	83.03
Pre-operative expenses of subsidiary	107.07	118.97
Total	158.67	202.00

No Advance are due from directors or other officers of the Company either severally or jointly with any other person. Nor any Advance are due from firms or private companies respectively in which any director is a partner, a director or a member.

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

10. Inventories

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
(Valued at cost or market value, whichever is lower)		
Raw Material	3,107.61	2,456.60
Work-in-Progress	10,642.73	11,438.92
Finished Goods	148.76	983.95
Stores & Spares	558.92	579.33
Total	14,458.02	15,458.80

11. Trade receivables

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables, considered good - Unsecured	6,565.17	7,676.35
Trade receivables - which have significant increase in credit risk	-	-
Trade receivables - Credit impaired	-	-
	6,565.17	7,676.35
Less : Allowance for expected credit loss	-	-
Total	6,565.17	7,676.35

Trade receivables are mainly non-interest bearing and credit period generally falls in the range of 0 to 120 days.

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Refer note 47 for aging details

12. Cash & Cash Equivalent

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with Bank in Current Account	15.04	28.32
Cash on hand	19.31	3.28
Total	34.35	31.60

13. Other Bank Balances

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Unclaimed Dividend Account*	126.17	135.12
Total	126.17	135.12

*These balances are not available for use by the Group and corresponding liability is disclosed as unclaimed dividend in note 26.

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

14. Other Financial Assets

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured Considered Good		
Interest Receivable	5.28	1.07
Total	5.28	1.07

15. Other Current Assets

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured Considered Good		
Employees Advance	6.09	3.20
Prepaid Expenses	63.61	36.18
Advance to vendors	355.03	490.67
Balance with Statutories Authorities	487.64	1,299.28
Total	912.37	1,829.33

No Advance are due from directors or other officers of the Group either severally or jointly with any other person. Nor any Advance are due from firms or private companies respectively in which any director is a partner, a director or a member.

16. Equity Share Capital

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
AUTHORIZED CAPITAL		
Equity Share Capital	3,698.83	3,698.83
3,69,88,330 Equity Shares of ₹10/- each)		
(As at March 31, 2025: 3,69,88,330 Equity Shares of ₹10/- each)		
Preference Shares of ₹100/- each	1,001.17	1,001.17
10,01,167 5% Cumulative Compulsory Redeemable Preference Shares (CCPS)		
(As at March 31, 2025: 10,01,167 CCPS)		
Total Authorized Capital	4,700.00	4,700.00
ISSUED, SUBSCRIBED & PAID-UP CAPITAL		
Equity Shares		
2,03,03,126 Equity Shares of ₹10/- each, fully paid up	2,030.31	2,030.31
(As at March 31, 2025: 2,03,03,126 Equity Shares of ₹10/- each)		
Sub - Total	2,030.31	2,030.31
Total	2,030.31	2,030.31

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

a) Reconciliation of number of share outstanding

Particulars	No. of shares	Amount
Balance as at April 01, 2025	2,03,03,126	2,030.31
Movement during the year	-	-
Balance as at March 31, 2026	2,03,03,126	2,030.31

Particulars	No. of shares	Amount
Balance as at April 01, 2024	2,03,03,126	2,030.31
Movement during the year	-	-
Balance as at March 31, 2025	2,03,03,126	2,030.31

b) Terms/rights/preference/restrcitions attached to shares

The Group has only one class of equity shares having a par value of ₹10 each. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Group, holders of equity shares will be entitled to receive any of the remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

c) List of shareholders holding more than 5% of the equity share capital of the Company at the beginning and at the end of the year:

Shareholders as at March 31, 2026	No. of shares (FV of ₹ 10/- each)	% of Shareholding
Pramod Kumar Gupta	1,43,63,800	70.75%

Shareholders as at March 31, 2025	No. of shares (FV of ₹ 10/- each)	% of Shareholding
Pramod Kumar Gupta	1,43,63,800	70.75%

As per records of the Group, including its register of shareholders/members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

d) Aggregate number of equity shares issued as bonus/in amalgamation/shares bought back during the period of five years immediately preceding the reporting date:

Equity Shares allotted in pursuance of Amalgamations sanctioned by the Hon'ble High Courts in the earlier years. (82,61,013 No's)

e) Shares held by holding or ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding group in aggregate: Nil

f) Details of shares held by promoters:

Promoter Name	No. of shares (FV of ₹ 10/- each)	% of Shareholding
Shareholders as at March 31, 2026		
Pramod Kumar Gupta	1,43,63,800	70.75
Prabha Gupta	7,88,760	3.88
Kanal Gupta	2,900	0.01

During the year, there was no change in the shareholding of the promoter(s)

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

Promoter Name	No. of shares (FV of ₹ 10/- each)	% of Shareholding
Shareholders as at March 31, 2025		
Pramod Kumar Gupta	1,43,63,800	70.75
Prabha Gupta	7,88,760	3.88
Kanal Gupta	2,900	0.01

During the year, there is no change in the shareholding of the promoter(s)

17. Other Equity

(Refer Standalone Statement of Changes in Equity for detailed movement in Other Equity balance)

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
A. Capital Reserve		
As per last Balance Sheet	1,786.54	1,786.54
	1,786.54	1,786.54
B. Securities Premium Reserve		
As per last Balance Sheet	1,234.69	1,234.69
	1,234.69	1,234.69
C. General Reserve		
As per last Balance Sheet	500.00	500.00
	500.00	500.00
D. Retained Earnings		
As per last Balance Sheet	20,865.07	19,731.26
Add: Profit for the Year	1,897.01	1,502.52
Add: Remeasurement of defined benefit plans in OCI for the year	11.80	(3.25)
	22,773.88	21,230.53
Less: Appropriations		
Dividend Paid	365.46	365.46
	22,408.42	20,865.07
E. Share Forfeiture Account		
As Per Last Balance Sheet		
	3.84	3.84
TOTAL (A to E)	25,933.49	24,390.14

Description of nature and purpose of Reserve:-

Securities premium - Created to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Retained earnings - Created from the profit of the Group, as adjusted for distributions to owners, transfers to other reserves, etc.

Share Forfeiture account - It records the value of shares a group cancels due to a shareholder's failure to meet payment obligations.

Notes to the Consolidated Financial Statements

 For the year ended on 31st March, 2026

18. Borrowings

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured		
Vehicle Loans from Banks	112.18	135.75
Less : Current maturities of long term debts	24.84	23.57
	87.34	112.18
Unsecured		
From Corporate bodies	-	-
Total	87.34	112.18

Note 18.1: The Secured Loan of ₹31.26 Lakhs (Previous Year ₹40.95 Lakhs) is secured by way of hypothecation of vehicles, payable in variable installments in next 33 monthly installment. The applicable rate of interest is 8.60%.

Note 18.2: The Secured Loan of ₹70.27 Lakhs (Previous Year ₹81.88 Lakhs) is secured by way of hypothecation of vehicles, payable in variable installments in next 57 monthly installment. The applicable rate of interest is 8.70%.

Note 18.3: The Secured Loan of ₹10.64 Lakhs (Previous Year ₹12.92 Lakhs) is secured by way of hypothecation of vehicles, payable in variable installments in next 45 monthly installment. The applicable rate of interest is 9.25%

19. Lease Liabilities

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Lease Liability (Non Current) -(Refer note 44)	34.87	41.00
Total	34.87	41.00

20. Provisions

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employees benefit		
Gratuity (Refer note 39)	118.92	113.02
Leave Encashment	16.68	20.93
Total	135.60	133.95

21. Deferred Tax Liabilities (Net)

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liability		
At the Start of the year	334.73	462.53
Charge/(Credit) to the statement of Profit & Loss	4.13	(127.16)
Less: Deferred tax assets	(0.59)	(0.64)
Total	338.27	334.73

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

Deferred tax assets and liabilities

Deferred taxes arising from temporary differences and unused tax losses are summarised as follows:

Deferred tax liabilities/(assets)	As at April 01, 2025	Recognised in other comprehensive income	Recognised in Statement of Profit and Loss	As at March 31, 2026
Difference between WDV as per books of accounts and income tax	1,284.83	(4.91)	3.97	1,314.53
Allowance for doubtful debts	-	-	-	-
Provision for retirement benefits	(162.09)	-	-	(163.53)
Others	-	-	-	10.65
	1,122.74	(4.91)	3.97	1,161.65

Deferred tax liabilities/(assets)	As at April 01, 2024	Recognised in other comprehensive income	Recognised in Statement of Profit and Loss	As at March 31, 2025
Difference between WDV as per books of accounts and income tax	1,673.78	1.35	(137.49)	1,233.58
ROU Assets and Lease Liabilities	-	-	-	51.25
Allowance for doubtful debts	-	-	-	-
Provision for retirement benefits	(137.81)	-	-	(162.09)
Others	-	-	-	-
	1,535.97	1.35	(137.49)	1,122.74

22. Other Non Current Liabilities

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Security deposit received	6.29	10.00
Liabilities for expenses	23.16	52.58
Total	29.45	62.58

23. Borrowings

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured - At Amortised Cost		
Working Capital Loan from Banks	164.55	3,012.96
Current Maturities of Long Term Loan	24.84	23.57
Total	189.39	3,036.53

Note 23.1 - The Working Capital loan from banks is secured by hypothecation of all present and future Fixed Assets including Plant & Machinery, Furniture and Fixture, Vehicle, Inventories, Book Debts and all movable assets of the Group. Also personal guarantee of Shri Pramod Kumar Gupta, Director of Holding Company.

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

24. Lease Liabilities

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Lease Liability (Current) - (Refer note 44)	10.96	24.19
Total	10.96	24.19

25. Trade Payable

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of-		
Dues to Micro and Small Enterprises (Refer note below)	89.43	24.85
Other than dues to Micro and Small Enterprises	967.43	2,484.87
Total	1,056.86	2,509.72

Trade payables are mainly non-interest bearing and credit period generally falls in the range of 0 to 60 days.

Refer note 48 for aging details

Dues to Micro and Small Enterprises

The dues to Micro and Small Enterprises as required under the Micro, Small and Medium Enterprises Development ("MSMED") Act, 2006 to the extent information available with the group is given below:

Particulars	March 31, 2026	March 31, 2025
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	89.43	24.85
Principal amount due to micro and small enterprises	89.43	24.85
Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year*	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

26. Other Financial Liabilities

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Liabilities for Expenses	158.76	233.41
Unclaimed Dividend#	126.17	135.12
Employees Related payable	142.08	160.92
Total	427.01	529.45

#Not due for deposit to the Investor Education and Protection Fund.

27. Other Current Liabilities

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Advances from Customers	391.93	45.99
Others Payable	56.14	421.54
Total	448.07	467.53

28. Short Term Provisions

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Employment Benefit		
Gratuity (Refer note 39)	8.44	26.75
Leave Encashment	1.12	1.39
Total	9.56	28.14

29. Current Tax Liabilities (net)

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Current Tax Liabilities (net)	56.39	61.24
Total	56.39	61.24

30. Revenue from Operations

(₹ in Lacs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Sale of Products	18,093.86	16,820.83
Income from Job Works	2.65	-
Other Operating Revenue		
Consulting and Engineering Services	15.37	0.41
Freight & Insurance	-	6.19
FE Fluctuation	-	-
Total	18,111.88	16,827.43

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

Disclosure on revenue pursuant to Ind AS 115- Revenue from contract with customers:

A. Reconciliation of revenue recognised with the contracted price:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Gross revenue/Contracted price	18,093.86	16,820.83
Less: Discounts and rebates	-	-
Revenue from contracts with customers	18,093.86	16,820.83

B. Disaggregation of revenue

i) Information about geographical area

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Sale of Products and rendering of services		
(i) Within India	17,279.03	13,642.62
(ii) Outside india	814.83	3,178.21
Total sale of products and rendering of services	18,093.86	16,820.83

ii) Revenue from sale of goods and services are recognised at a point in time. There are no disaggregation of revenue with respect to this information.

iii) No single external customer amounts to 10% or more of the Group's revenue from operations.

C. Contract balances:

The following table provides information about trade receivables and contract liabilities from contract with customers:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Trade Receivables	6,565.17	7,676.35
Less: Allowances for expected credit loss	-	-
Net receivables	6,565.17	7,676.35

Contract Liabilities

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Advance from customers	391.93	45.99
Net Contract Liabilities	391.93	45.99

D. Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liabilities are on account of the advance payment received from customer for which performance obligation has not yet been completed. The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. The Group does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. Further, there are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.

There is no significant financing component in any transaction with the customers.

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

E. Changes in the contract liabilities balances during the year are as follows:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Balance at the beginning of the year	45.99	23.68
Addition during the year	391.93	45.99
Revenue recognised during the year	(45.99)	(23.68)
Balance at the closing of the year	391.93	45.99

31. Other Income

(₹ in Lacs)		
Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Interest Income -Others	49.76	57.99
Profit on Sale of Property, Plant and Equipments	-	2.18
Rent Income	-	29.38
Misc. Income	280.64	84.46
Total	330.40	174.01

32. Cost of Material Consumed

(₹ in Lacs)		
Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Materials and Stores		
Opening Stock	3,035.93	5,941.70
Add: Purchase during the year	10,623.63	6,880.85
	13,659.56	12,822.55
Less: Closing stock	3,666.53	3,035.93
Material Consumed	9,993.03	9,786.62

33. Change in Inventories of Finished goods and Work-in-Progress

(₹ in Lacs)		
Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Inventories (at commencement)		
Work-in- Progress	11,438.92	12,143.46
Finished Goods	983.95	1,113.17
	12,422.87	13,256.63
Inventories (at close)		
Work-in- Progress	10,642.73	11,438.91
Finished Goods	148.76	983.95
	10,791.49	12,422.86
Change in stock (Increase)/Decrease in inventory		
Work-in- Progress	796.19	704.55
Finished Goods	835.19	129.22
Total	1,631.38	833.77

Notes to the Consolidated Financial Statements

 For the year ended on 31st March, 2026

34. Employees Benefit Expenses

(₹ in Lacs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Salary and Wages Expenses	1,144.25	1,300.90
Contribution to PF and other funds & benefits	69.78	72.35
Bonus Expenses	20.50	22.88
Gratuity Expenses	20.82	20.06
Employee Welfare Expenses	29.18	31.58
Total	1,284.53	1,447.77

Refer Note 43 for related party disclosure

35. Financial Cost

(₹ in Lacs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Interest to banks	237.93	164.89
Other Interest	54.00	60.01
Interest Exp on Lease Liability	5.18	5.77
Other Borrowing Costs	58.57	43.74
Total	355.68	274.41

36. Other Expenses

(₹ in Lacs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
(A) Manufacturing Expenses		
Power, Fuel & Water Charges	114.86	134.45
Security Service Charges	53.80	51.14
Testing, Painting & Inspection Expenses	93.17	82.12
Job Charges	58.54	62.78
Repair & Maintenance		
Plant & Machinery	18.25	15.39
Building	16.39	2.97
Others	68.66	110.01
TOTAL (A)	423.67	458.86
(B) Administrative and Other Expenses		
Printing & Stationary	11.17	11.25
Postage, Telegram & Telephones	15.36	17.38
Subscription & Membership Fees	1.44	0.73
Director's Sitting Fee (Refer Note 43)	6.72	8.67
Rent (Refer Note 44)	124.76	126.46
Travelling Expenses	44.25	84.28
Vehicle & Conveyance	152.82	125.42

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Charity & Donation	1.86	3.17
Legal & Professional Expenses	143.00	22.22
Insurance Charges	22.76	14.81
CSR Expenses (Refer Note 46)	31.86	66.69
Payment to Auditors		
Audit Fee	8.85	5.96
Tax Audit Fee	-	-
Reimbursement of expenses	-	-
Books & Periodicals	4.22	1.52
Rates, Taxes and Filling Fee	40.00	26.88
Pre-operative Expenses Written off	11.90	11.90
Miscellaneous Expenses	195.64	192.88
TOTAL (B)	816.61	720.22
(C) Selling and Distribution Expenses		
Selling Expenses	267.33	118.99
Distribution Exp (Freight, Cartage & Insurance etc.)	531.25	874.22
TOTAL (C)	798.58	993.21
TOTAL (A+B+C)	2,038.86	2,172.29

37. Income Tax Expenses

(₹ in Lacs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
(i) Profit and Loss Section		
(a) Current tax	783.93	612.85
(b) Deferred tax (credit)/Charge	3.97	(127.16)
Income tax expense reported in the Statement of Profit and Loss	787.90	485.69
(ii) OCI section		
Deferred tax related to items recognised in OCI during the year:		
(a) Net loss/ (gain) on remeasurements of defined benefit plans	(4.91)	1.35

38. Earning Per Share (EPS)

(₹ in Lacs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Net Profit After Tax as per Statements of Profit and Loss attributable to Equity Shareholder (₹ in Lacs)	1,908.84	1,499.23
Weighted Average Number of Equity Shares used as denominator for calculating EPS	2,03,03,126	2,03,03,126
Basic EPS in ₹	9.40	7.38
Diluted EPS in ₹	9.40	7.38
Face Value Per Equity Share in ₹	10.00	10.00

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

39. Employee Benefits

A. Defined contribution plans:

The Group makes contributions to defined contribution plans i.e. provident fund, employee state insurance and other funds for qualifying employees. Under the schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group has recognised the following amounts in the statement of profit and loss:

(₹ in Lacs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Contribution to Provident Fund	34.99	32.19
Contribution to Employee' state insurance corporation	2.10	2.82

B. Defined benefit plans:

The Group's gratuity scheme provides for lump sum payment to vested employees on retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of 6 months. Vesting occurs upon completion of 5 years of service.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans.

Valuations in respect of Gratuity has been carried out by independent actuary, as at the Balance Sheet date, based on the following assumptions:

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Discount Rate (per annum)	7.54	6.79
(b) Future Salary Increase	5.5	5.5
(c) Expected rate of Return on Plan Assets	-	-
(d) Normal Retirement Age	58	58
(e) Mortality Rate	100% of IALM (2012-14)	100% of IALM (2012-14)
(f) Attrition / Withdrawal rates, based on age: (per annum)		
Up to 30 years	3%	3%
31-44 years	2%	2%
Above 44 years	1%	1%
(g) Method used	Projected unit credit Method	Projected unit credit Method

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Summary of membership data

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Number of Employees	98	106
(b) Total Monthly Salary (Lacs)	23.63	31.62
(c) Average past Service (Years)	11.55	10.52
(d) Average Age (Years)	43.45	42.01
(e) Average remaining working life (Years)	14.55	15.98
(f) Weighted average duration	-	13.93

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

Changes in the Present Value of Obligation

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Present Value of Obligation as on Opening date	139.77	122.97
(b) Acquisition adjustment	-	-
(c) Interest Cost	9.49	8.89
(d) Past Service Cost	-	-
(e) Current Service Cost	10.89	11.17
(f) Curtailment Cost/(Credit)	-	-
(g) Settlement Cost/(Credit)	-	-
(h) Benefits Paid/Received	(16.04)	(7.90)
(i) Actuarial Loss/(Gain)	(16.75)	4.64
(j) Present Value of Obligation as Closing date	127.36	139.77

Reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Present Value of funded Obligation	127.36	139.77
(b) Fair Value of Plan Assets	-	-
(c) Funded (Asset) / Liability recognized in the Balance Sheet (Net)	127.36	139.77

There are no plan assets as on March 31, 2026 and March 31, 2025 for defined benefit gratuity plan.

Amount recognized in the Balance Sheet

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Present Value of obligation	127.36	139.77
(b) Fair Value of Plan Assets	-	-
(c) (Asset) / Liability recognized in the Balance Sheet (Net)	127.36	139.77
Current Liabilities	8.44	26.75
Non-current Liabilities	118.92	113.02
Total	127.36	139.77

Expenses recognized in the Statement of Profit and Loss

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Current Service Cost	10.89	11.17
(b) Past Service Cost	-	-
(c) Interest Cost	9.49	8.89
(d) Expected Return on Plan Assets	-	-
(e) Curtailment Cost/(Credit)	-	-
(f) Settlement Cost/(Credit)	-	-
Total Expenses recognized in the Statement of Profit and Loss	20.38	20.06

Notes to the Consolidated Financial Statements

 For the year ended on 31st March, 2026

Amount recognised in Other Comprehensive Income

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Net actuarial (Gain)/Loss		
- Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	-
- Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(9.19)	4.97
- Actuarial (Gain)/Loss on arising from Experience Adjustment	(7.55)	(0.33)
Total Expenses/(Income) recognized in the Other Comprehensive Income	(16.74)	4.64

Experience adjustments

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Present value of the obligation as at the end of year	127.36	139.77	122.97	109.79	105.12
Experience gain / (loss) adjustment on plan liabilities	(7.55)	(0.33)	(1.18)	7.89	3.99

Expected Contribution during the next annual reporting period

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Current Service Cost	10.90	11.81
(b) Interest Cost	9.49	9.49
Expected expense for the next annual reporting period	20.39	21.30

Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Defined benefit obligations	127.36	139.77

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Impact due to Increase of 0.5% discount rate	(5.60)	(5.63)
Impact due to decrease of 0.5% discount rate	6.02	6.07
Impact due to Increase of 0.5% in Salary increase	6.11	6.11
Impact due to decrease of 0.5% in Salary increase	(5.73)	(5.62)

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated. Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

Maturity Profile of Defined Benefit Obligation

(₹ in Lacs)		
Year	As at March 31, 2026	As at March 31, 2025
0 to 1 year	8.44	26.74
1 to 2 year	10.60	6.94
2 to 3 year	5.93	9.30
3 to 4 year	5.98	5.01
4 to 5 year	10.07	4.60
5 to 6 year	8.16	8.01
6 year onwards	78.19	78.59

C. Other long term employee benefit

Leave Encashment expenses recognized in the books of account amounting to ₹Nil lakhs (March 31, 2025 ₹9.24 Lakhs) on the basis of actuarial valuation basis as on balance sheet date. The liability is paid annually or during the year. It is non-funded.

40. (i) The Cost control in the subsidiary company M/s P Mittal Manufacturing Private Limited has been calculated as follows:

Total Equity in Subsidiary	-59.33 Lacs
Reserves on acquisition	-70.24 Lacs
Amount paid for control	-126.07 Lacs
Capital Reserve	-3.50 Lacs

(ii) Dividend

(₹ in Lacs)		
Particulars	March 31, 2026	March 31, 2025
Dividend on equity shares declared and paid during the year:	365.46	365.46
Final dividend of ₹0.60 per share (March 31, 2026 ₹0.60 per share) during the year		

The Board of directors of UDTL in their meeting held on 21.05.2026 have recommended final dividend of 6% i.e. ₹0.60 per equity share, for the financial year 2025-26, which is subject to the approval of the shareholders in the ensuing annual general meeting.

41. Contingent Liabilities

(₹ in Lacs)		
Particulars	As at March 31, 2026	As at March 31, 2025
Claims against the Group not acknowledged as debts (being contested):-(i) For Income Tax	936.18	790.30
(i) For Income Tax matters Holding Company and Subsidiary Company (AY 17-18, AY 18-19, AY 19-20, AY 20-21 & AY 23-24) cases are pending with Appellate Authorities of Income Tax Department)		

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

42. Commitments

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Guarantees issued on behalf of subsidiaries for business purposes	-	-
(b) Guarantees issued for business purposes	545.42	668.72
(c) Letter of credit opened by Banks	-	2,545.06

43. Related Party Disclosures (as per Ind As-24)

Following are the list of related parties with whom transactions occurred during the year or in the previous year

i. List of related parties and relationships:-

I. Key managerial personnel (KMPs) and their relatives

Shri Pramod Kumar Gupta	- Director (w.e.f 12/08/2025)
Shri (Dr.) Kanak Gupta	- Managing Director (w.e.f 12/08/2025)
Shri Inderpal Sharma	- Whole Time Director
Shri Pandian Kalyanansundaram	- Independent Director (upto 20/05/2026)
Shri Ved Prakash Mahawar	- Independent Director
Smt. Preet Verma	- Independent Director
Shri Khitish Kumar Nayak	- Independent Director (w.e.f 12/08/2025)
Shri Manoj Kumar Arora	- Chief Financial Officer
Shri Anand Kumar Mishra	- Company Secretary
Shri (Dr.) Kanak Gupta	- Director of Subsidiary (upto 04/08/2025)
Smt. Vibha Mishra	- Director of Subsidiary
Shri Jagdish Chandra Pathak	- Director of Subsidiary

II. Subsidiary Company

P Mittal Manufacturing Pvt. Ltd. - Wholly Owned Subsidiary

III. Entities over which key Management Personnel/or their relatives have control or joint control

Parveen Industries Pvt. Ltd.
 American Completion Tools Inc
 Oil Drilling Consultancy Services

ii. Terms and conditions of transactions with related parties

The transactions with related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

43A. Transactions with KMPs or their relative

(₹ in Lacs)		
Particulars	For the year ended 2026	For the year ended 2025
I. Remuneration Paid		
Shri Pramod Kumar Gupta	65.32	171.29
Shri (Dr.) Kanal Gupta	39.48	48.00
Shri Inderpal Sharma	12.75	12.61
Shri Manoj Kumar Arora	20.43	19.22
Shri Anand Kumar Mishra	13.56	12.55
II. Director sitting fees paid		
Shri Krishan Diyal Aggarwal	-	0.90
Shri Ved Prakash Mahawar	1.50	2.35
Shri Pandian Kalyanasundaram	2.00	2.35
Smt. Preet Verma	2.00	2.35
Shri Khitish Kumar Nayak	0.50	-
Smt. Vibha Mishra	0.72	0.72
III. Dividend Paid		
Shri Pramod Kumar Gupta	258.55	258.55
Shri (Dr.) Kanal Gupta	0.05	0.05
IV. Consultancy fees paid		
M/s Oil Drilling Consultancy Services	94.80	-
Balances (payable)/receivable outstanding at the end of the year		
Shri Pramod Kumar Gupta (Cr)	-	9.75
Shri (Dr.) Kanal Gupta (Cr)	2.98	2.98
Shri Inderpal Sharma (Cr)	-	1.03
Shri Manoj Kumar Arora (Cr)	1.38	1.28
Shri Anand Kumar Mishra (Cr)	1.08	1.00

Amount payable to Key Managerial Personnel does not includes provision towards post employee benefits and detail of remuneration to Key Managerial Personnel are as follows:

Details of Remuneration to Key Managerial Personnel are as follows:

(₹ in Lacs)		
Particulars	For the year ended 2026	For the year ended 2025
Short Term Benefits	246.34	263.67
Post Employee Benefits (payment basis)	-	-
Total	246.34	263.67

Remuneration is within limits specified under Section 197 of the Act, as recommended by Nomination and Remuneration Committee, approved by Board and further approved by shareholders at Annual General Meeting.

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

43B. Balance (payable)/receivable outstanding at the end of the year

(₹ in Lacs)

Particulars	For the year ended 2026	For the year ended 2025
Parveen Industries Pvt Ltd. (Cr.)	0.26	2.26
Parveen Industries Pvt Ltd. (Dr.)	0.80	-
American Completion Tools Inc (Cr.)	100.06	90.47
American Completion Tools Inc (Dr.)	2256.12	2296.61

44. Disclosure on lease transactions pursuant to Ind AS 116 – Leases

The Group's lease asset class primarily consists of leases for land. With the exception of short-term leases, leases of low-value and cancellable long-term leases underlying assets, each lease is reflected on the balance sheet as a right of use asset and a lease liability.

Lease liabilities are measured at the present value of the remaining lease payments, discounted using the weighted average borrowing rate ranging 9.30% p.a. Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right of use asset can only be used by the Group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to extend the lease for a further term. The Group is prohibited from selling or pledging the underlying leased assets other than leasehold lands as security against the Group's other debts and liabilities.

(i) The carrying amounts of Lease liabilities and movement during the year:

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	65.19	-
Additions	5.43	92.86
Interest accretion	5.18	5.77
Repayments of lease liabilities	(25.77)	(24.56)
Non Cash Movements	(4.20)	(8.88)
Balance at the end of the year	45.83	65.19
Current	10.96	24.19
Non-current	34.87	41.00
Total	45.83	65.19

(ii) The recognised right of use assets relate to land as at 31 March 2026 and 31 March 2025:

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Right of use assets - land		
Balance at the beginning of the year	68.12	-
Additions for the year	5.43	92.87
Amortisation charge for the year	(30.87)	(24.75)
Balance at the end of the year	42.68	68.12

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

(iii) The following amounts are recognised in Consolidated Statement of Profit and Loss:

(₹ in Lacs)

Particulars	For the year ended 2026	For the year ended 2025
Amortisation charge on right of use assets	30.87	24.75
Interest expense on lease liabilities	5.18	5.77
Total	36.05	30.52

(iv) Lease payments not recognised as a liability

The Group has elected not to recognise a lease liability for short-term leases (leases with an expected term of 12 months or less), cancellable long-term leases and for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The expense relating to payments not included in the measurement of the lease liability for short term leases is ₹89.21 lakhs (31 March 2025 ₹72.41 lakhs).

(v) Refer Consolidated Cash Flow Statement for total cash outflow for leases.

(vi) Maturity of lease liabilities

The undiscounted amount of lease payments commitment under non-cancellable lease were as follows:

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Not later than 1 year	10.96	24.19
Later than 1 year not later than 5 years	34.87	4.00
Later than 5 years	-	-
Balance at the end of the year	45.83	65.19

45. The business activities of the Group predominantly fall within a single reportable business segment. There are no separately reportable business or geographical segments that meet the criteria prescribed in Ind-AS 108 on Operating Segments. The aforesaid is in line with review of operating results by the chief operating decision maker.

Other Segment reporting on the basis of Local Currency and Foreign Currency segments as below:

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Segmental Revenue		
- In local currency	17279.03	13047.78
- In foreign currency	814.83	3773.05
Total Revenue	18093.86	16820.83
Segmental Assets		
- In local currency	27946.75	30668.56
- In foreign currency	2840.82	3093.13
Total Assets	30787.57	33761.69
Segmental Liabilities		
- In local currency	30355.23	33502.67
- In foreign currency	432.34	259.03
Total Liabilities	30787.57	33761.70

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

46. Details of Corporate Social Responsibility (CSR) expenditure

In accordance with the provisions of section 135 of the Companies Act, 2013, the Board of Directors of UDTL had constituted CSR Committee. The detail for CSR activities is as follows:

Particulars	(₹ in Lacs)	
	For the year ended 2026	For the year ended 2025
a) Gross amount required to be spent by the Group during the year	31.82	66.50
b) Amount approved by Board to be spent during the year	31.62	66.69
c) Amount spent during the year on the following:		
1. Construction / Acquisition of any asset	-	-
2. On purpose other than 1 above	31.86	66.69
d) Excess amount spent on CSR as per Section 135(5) of Companies Act, 2013:		
1. Opening balance of excess amount spent	0.20	0.01
2. Utilized during the year	(0.20)	
3. Excess spent during the year	0.24	0.19
4. Closing balance of total excess amount spent	0.24	0.20
e) Total of previous year shortfall	-	-
f) Reason for shortfall	Not Applicable	Not Applicable
g) Nature of CSR activities	Promoting Healthcare, Education, Environmental Substantiality, Animal Welfare, vocational skills etc.	Promoting Healthcare, Education, environmental sustainability, rural development, animal welfare etc.

UDTL does not carry any provisions for corporate social responsibility expenses for current year and previous year.

47. Trade receivable ageing schedule (per transaction)

Particulars	Outstanding from due date of payment					Total as at March 31, 2026
	Less Than 6 Months	6 Months - 1 Years	1-2 Years	2-3 Years	More Than 3 Years	
Undisputed trade receivables - considered good	3,299.43	559.90	2,256.26	112.89	195.50	6,423.98
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
Disputed Trade receivables - considered Good	-	-	-	-	141.19	141.19
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	3,299.43	559.90	2,256.26	112.89	336.69	6,565.17

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

(₹ in Lacs)

Particulars	Outstanding from due date of payment					Total as at March 31, 2025
	Less Than 6 Months	6 Months - 1 Years	1-2 Years	2-3 Years	More Than 3 Years	
Undisputed trade receivables - considered good	5,528.17	1,709.93	103.40	80.67	165.63	7,587.80
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
Disputed Trade receivables - considered Good	-	-	-	-	88.55	88.55
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	5,528.17	1,709.93	103.40	80.67	254.18	7,676.35

There are no unbilled dues recoverable as at March 31, 2026 or March 31, 2025.

48. Trade Payables ageing schedule (per transaction)

(₹ in Lacs)

Particulars	Outstanding from due date of payment				Total as at March 31, 2026
	Less Than 1 Years	1-2 Years	2-3 Years	More Than 3 Years	
Undisputed trade payable					
MSME	89.43	-	-	-	89.43
Others	852.76	113.53	1.14	-	967.43
Disputed trade payable					
MSME	-	-	-	-	-
Others	-	-	-	-	-
Total	942.19	113.53	1.14	-	1,056.86

(₹ in Lacs)

Particulars	Outstanding from due date of payment				Total as at March 31, 2025
	Less Than 1 Years	1-2 Years	2-3 Years	More Than 3 Years	
Undisputed trade payable					
MSME	24.86	-	-	-	24.86
Others	2,483.67	1.14	0.05	-	2,484.86
Disputed trade payable					
MSME	-	-	-	-	-
Others	-	-	-	-	-
Total	2,508.53	1.14	0.05	-	2,509.72

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

49. Capital Management

Capital includes equity attributable to the equity holders of the Group. The primary objective of the Group's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximize shareholder value.

The group manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements.

The amounts managed as capital by the Group's for the reporting periods are summarised as follows:

(₹ in Lacs)

Particulars	As at March 31, 2026	As at March 31, 2025
Total Liabilities	2823.77	7341.24
Less: Cash and Cash Equivalents	34.35	31.60
Net Debt (A)	2789.42	7309.64
Equity Share Capital	2030.31	2030.31
Other Equity	25933.49	24390.14
Total Equity (B)	27963.80	26420.45
Gearing Ratio (Debt / Equity) (A/B)	9.98%	27.67%

No changes were made in the objectives, policies or processes during the year ended March 31, 2026 and year ended March 31, 2025.

50. Disclosure pursuant to IND AS -7 "Statement of Cash Flows" – changes in liabilities because of financing activities:

(₹ in Lacs)

Particulars	April 01, 2025	Cash Flow (Net)	Changes in fair value	Non-cash Changes	March 31, 2026
Lease liabilities	65.19	(25.77)	6.41	-	45.83
Borrowings	3,148.72	(2,871.98)	-	-	276.74

(₹ in Lacs)

Particulars	April 01, 2024	Cash Flow (Net)	Changes in fair value	Non-cash Changes	March 31, 2025
Lease liabilities	-	(24.56)	5.77	83.98	65.19
Borrowings	3,254.04	(105.32)	-	-	3,148.72

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

51. Financial instruments by category

(₹ in Lacs)

Particulars	Carrying Value / Fair Value	
	As at March 31, 2026	As at March 31, 2025
Financial Assets		
Measured at amortized cost		
Trade Receivables	6,565.17	7,676.35
Cash and Cash Equivalents	34.35	31.60
Other Bank balances	126.17	135.12
Other financial assets	5.28	1.07
Financial Liabilities		
Measured at amortized cost		
Borrowings	189.39	3,036.53
Lease Liabilities	10.96	24.19
Trade payable	1,056.86	2,509.72
Other financial liabilities	427.01	529.45

The Group maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant available data. The fair values of the financial assets and liabilities represents the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods/ assumptions were used to estimate the fair values:

- Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.
- Fair valuation of non-current financial assets has been disclosed to be same as carrying value as there is no significant difference between carrying value and fair value.

There are no transfers between Level 1, Level 2 and Level 3 during the year ended March 31, 2026, and March 31, 2025.

52. Financial risk management objectives and policies

The Group's business activities expose it to a variety of financial risks, namely credit risk, liquidity risk, market risk and commodity risk. The Group's senior management has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group has constituted a Risk Management Committee which is responsible for developing and monitoring the Group's risk management policies. The key risks and mitigating actions are also placed before the Audit Committee of the Group. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The group's senior management is responsible for formulating an appropriate financial risk governance framework for the Group and periodically reviewing the same. The group's senior management ensures that financial risks are identified, measured and managed in accordance with the group's policies and risk objectives. The Group's senior management review and agree to policies for managing each of these risks, which are summarised below:

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

A) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, foreign currency risk and price risk..

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regards to interest income and interest expenses and to manage the interest rate risk. The Group's exposure to the risk of changes in market interest rates relates primarily to long term debt. The Group don't have any long term borrowings except vehicle loans on fixed interest rate basis, therefore sensitivity analysis is not given. As regards working capital borrowing, the Group has floating rate of interest. The impact of interest rate on working capital not determinable, therefore sensitivity analysis is not given.

(ii) Foreign currency risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The functional currency of the Group is Indian Rupees ('INR'). Most of the Group's transactions are carried out in Indian Rupees. Exposures to currency exchange rates mainly arise from the Group's overseas sales and purchases which are primarily denominated in US Dollars ('USD') and Euro ('EURO').

The Group has limited exposure to foreign currency risk as certain transactions of the Company act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies

The carrying amounts of the Group's foreign currency denominated monetary items are restated at the end of each reporting period. Foreign currency denominated financial assets and liabilities which expose the Group to currency risk are as follows:

Outstanding foreign currency exposure not being hedged against adverse currency fluctuation:

Particulars	Period	Foreign Currency	Local Currency
Trade Receivable	March 31, 2026	USD	26.69 ₹ 2526.75
	March 31, 2025	USD	31.29 ₹ 2677.63
Advances	March 31, 2026	USD	1.01 ₹ 95.46
	March 31, 2025	USD	4.55 ₹ 391.36
	March 31, 2026	EURO	0.04 ₹ 4.79
	March 31, 2025	EURO	0.20 ₹ 18.09
	March 31, 2026	GBP	1.73 ₹ 213.82
	March 31, 2025	GBP	0.05 ₹ 6.06
Trade Payable	March 31, 2026	USD	4.77 ₹ 432.34
	March 31, 2025	USD	3.03 ₹ 259.03

(iii) Price risk

The Group is exposed to the movement in price of key raw materials in domestic and international markets. The Group has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The group uses prevailing market price method to buy the material, as inventory of raw material and sometimes for procurement of material, majority of transactions have short term fixed price contract. The imported portion of raw material is not significant, therefore forward contract is not used.

B) Credit Risk

Credit Risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

The Group measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

The Group extends credit to customers as per the contractual obligation and internal credit policy. Any deviation are approved by appropriate authorities, after due consideration of the customers credentials and financial capacity, trade practices and prevailing business and economic conditions. The Group's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables and contract assets are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the customers etc. Loss allowances and impairment is recognized as per the group policy.

C) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group exposure to liquidity risk arises primarily from mismatch of the maturities of financial assets and liabilities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Group maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

The following are the undiscounted contractual maturities of the Group's financial liabilities as at March 31, 2026:

(₹ in Lacs)				
Particulars	Upto 1 year	1-5 years	More than 5 years	Carrying amount
Trade payable	1,056.86	-	-	1,056.86
Borrowings	189.39	87.34	-	276.73
Lease liabilities	10.96	34.87	-	45.83
Other financial liabilities	427.01	-	-	427.01
Total	1,684.22	122.21	-	1,806.43

The following are the undiscounted contractual maturities of the Group's financial liabilities as at March 31, 2025:

(₹ in Lacs)				
Particulars	Upto 1 year	1-5 years	More than 5 years	Carrying amount
Trade payable	2,509.72	-	-	2,509.72
Borrowings	3,036.53	112.18	-	3,148.71
Lease liabilities	24.19	41.00	-	65.19
Other financial liabilities	529.45	-	-	529.45
Total	6,099.89	153.18	-	6,253.07

53. Additional regulatory information

- All the immovable property (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are held in the name of the Group.
- There are no Loans or Advances in the nature of loans which has been granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are: (i) repayable on demand; or (ii) without specifying any terms or period of repayment.
- The Group has not entered into any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013 during the year or in the previous year.

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

d) The Group does not have any Benami property and no proceedings have been initiated or pending against the Group for holding any Benami property, under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.

e) The Group does not have any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

The Group has not traded or invested in Crypto currency or Virtual Currency during the current and previous financial year.

f) The Group has not advanced or provided loan to or invested funds in any entity(ies) including foreign entities (Intermediaries) or to any other person(s), with the understanding that the Intermediary shall:

(i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or

(ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

g) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:

(i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(ii) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

h) The Group has not undertaken any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

i) The Group has not been declared a 'Wilful Defaulter' by any bank (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

j) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

k) The borrowings obtained by the Group from banks have been applied for the purposes for which such loans were taken.

l) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

m) The Group has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Group with banks are in agreement with the books of accounts.

54. The Group is doing further research in enhanced recovery of oil from low performing oil well globally, the expenditure incurred is debited to intangible assets under development.

Name of the entity in the group	Net Assets i.e. total assets minus total liabilities		Share in profit and loss		Share in OCI		Share in total comprehensive income	
	As % of consolidated net assets	₹ in Lacs	As % of consolidated profit and loss	₹ in Lacs	As % of consolidated OCI	₹ in Lacs	As % of consolidated Total Comprehensive income	₹ in Lacs
Parent -United Drilling Tools Ltd.	99.53	2,783.93	98.88	1,875.91	105.83	12.52	98.93	1,888.43
Subsidiary - P Mittal Manufacturing Pvt. Ltd.	0.47	129.87	1.12	21.10	(5.83)	(0.69)	1.07	20.41

Notes to the Consolidated Financial Statements

For the year ended on 31st March, 2026

- 55.** Financial information pursuant to schedule III of the Companies Act, 2013
- 56.** The Consolidated Financial Statements were authorised for issue by the directors on May 21, 2026.
- 57.** The figures for the previous year have been regrouped and rearranged wherever found necessary to make them comparable with those of current year.
- 58.** Event after the reporting period: The Board of Directors, of Holding Company at their meeting held on May 21, 2026, have recommended a final dividend of ₹0.60 per equity share for the financial year 2025-26, subject to the approval of the shareholders at the ensuing Annual General Meeting. (refer note 40).

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For and on behalf of Board of Directors of United Drilling Tools Limited

For A P U & Company

Chartered Accountants
F R No. 019542N

Sd/-
CA Ankur Jain
Partner
M. No. FCA - 502270
UDIN - 26502270LYOPQV6930

Sd/-
Pramod Kumar Gupta
Director
DIN - 00619482

Sd/-
Kunal Gupta
Managing Director
DIN - 01050505

Sd/-
Ved Prakash Mahawar
Independent Director
DIN - 07208090

Sd/-
Preet Verma
Independent Director
DIN - 09124335

Sd/-
Khitish Kumar Nayak
Independent Director
DIN - 02155949

Sd/-
Inderpal Sharma
Whole-time Director
DIN - 07649251

Sd/-
Manoj Kumar Arora
Chief Financial Officer

Sd/-
Anand Kumar Mishra
Company Secretary

Date - 21/05/2026
Place - Noida



United Drilling Tools Limited
www.udtltd.com