



UNITED DRILLING TOOLS LIMITED

Corporate Identification Number (CIN): L29199DL1985PLC015796

Registered Office: 139A, 1st Floor, Antriksh Bhawan, 22,
Kasturba Gandhi Marg, New Delhi- 110 001

Tel. No: 0120- 4842400, E-mail: compsect@udtltd.com, Website: www.udtltd.com

POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013 read with Companies
(Management and Administration) Rules, 2014 and MCA Circulars)

Dear Members,

NOTICE is hereby given that pursuant to the provisions of Section(s) 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Rule(s) 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended ("Rules"), applicable Regulations, including Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), General Circular No(s). 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 22/2020 dated 15th June 2020, 33/2020 dated 28th September, 2020, 39/2020 dated 31st December, 2020, 10/2021 dated 23rd June, 2021, 20/2021 dated 8th December, 2021, 03/2022 dated 5th May, 2022 and 11/2020 dated 28th December, 2022 issued by the Ministry of Corporate Affairs ("MCA Circulars"), Secretarial Standard - 2 ("SS-2") on General Meetings issued by The Institute of Company Secretaries of India and such other applicable laws and regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force and as amended from time to time) the **Special Resolution** set forth below, being unavoidable in nature, is proposed to be passed by the Shareholders / Members ("Members") of United Drilling Tools Limited ("UDTL") through Postal Ballot, **only by way of voting through electronic means ("remote e-voting")**.

The Board of Directors of the Company has appointed Mr. Akash Gupta, Proprietor of M/s Akash Gupta & Associates, Company Secretaries (COP - 11038 and Membership No. F-12187), as the Scrutinizer for conducting the postal ballot by e-voting process in a fair and transparent manner.

The MCA Circulars provides that the communication of assent / dissent of the members in the Postal Ballot will take place **only through e-voting**. The requirements provided under Rule 20 of the Rules relating to e-voting shall be applicable mutatis mutandis for passing of Resolution through Postal Ballot by voting through electronic means ("remote e-voting").

In compliance with the MCA Circulars, the Company is sending this notice along with explanatory statement and e-voting instructions, **only by electronic mode** to all its members who have registered their e-mail IDs with the Depository Participants / Company's designated Registrar and Share Transfer Agent M/s Alankit Assignments Limited ("RTA") and whose names appear in the Register of Members / list of beneficial owners as received from CDSL & NSDL as on **Friday, 31st March, 2023 ("cut-off date")**. The physical copies of this Notice, postal ballot forms and pre-paid Business Reply Envelopes are not being sent to Shareholders / Members for this Postal Ballot.



The e-voting period commences at 10:00 a.m. (IST) on Thursday, 6th April, 2023 and ends at 5:00 p.m. (IST) on Friday, 5th May, 2023.

The Notice Shall also be uploaded on the website of the Company i.e; www.udt ltd.com and on the website of National Stock Exchange of India Limited i.e; www.nseindia.com and on the website of BSE Limited i.e; www.bseindia.com.

SPECIAL BUSINESS

Item No.1: Re-appointment of Mr. Kanal Gupta (DIN - 01050505) as a Whole-time Director of the Company w.e.f February 10, 2023 to February 09, 2028 and fixation of Remuneration, as enhanced, upto Rs. 6,00,000/- per month for a period of three years from February 10, 2023.

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:-

WHEREAS the term of appointment of Mr. Kanal Gupta, Whole-time Director of the Company came to an end on the close of business hours of 9th February, 2023.

WHEREAS upon recommendation made by its Committee(s), UDTL's Board of Directors ('Board') in their meeting held on Saturday, the 11th February, 2023 had in compliance of Schedule V of the Act, approved his re-appointment, etc. w.e.f. 10th February, 2023 for another Term upto Five (05) Years & also to continue making payment of Remuneration, as enhanced, under extant limits permissible for a further period of Three (03) Years beyond 9th February, 2023 necessitating UDTL's Shareholders / Members approval by passing a Special Resolution through Postal Ballot.

AND WHEREAS with a view to ensure timely compliance, *inter-alia*, under Regulation 17(1C) of the Listing Regulations there is an imminent requirement to obtain the approval / consent from the UDTL's Shareholders / Members latest by 9th May, 2023.

Now therefore, it is hereby **"RESOLVED THAT** in compliance of UDTL's Memorandum & Articles of Association; Section/s 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, as amended; Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014; and other applicable Regulations of the Listing Regulations and upon Consideration, Recommendation by the Nomination and Remuneration Committee ('NRC'), and thereupon approval granted by the Board of Directors, consent of the Shareholders / Members of UDTL be and is hereby accorded for the re-appointment of Mr. Kanal Gupta (DIN- 01050505) w.e.f. 10th February, 2023 for another Term upto Five (05) Years who will continue to hold Office as a Director, Whole-time Director of the Company & also to continue receive payment towards remuneration, as enhanced, under extant limits permissible for a further period of Three (03) Years beyond 9th February, 2023, whose Office shall continue to be subject, liable to retirement by rotation, on the terms and conditions as set out in the Explanatory Statement to this postal ballot notice dated 11th February, 2023, *inter-alia*:-



- ❖ **TENURE OF OFFICE:** 10th February, 2023 to 09th February, 2028 (both days inclusive).
- ❖ **SALARY** (including all Allowances & Perquisites): Rs. 6,00,000/- (Rupees Six Lakhs only) Per Month with effect from 10th February, 2023, except excluded as per amended Schedule V of the Companies Act, 2013 such as Contribution to PF, Gratuity & Leave encashment, be deemed to be minimum remuneration under Schedule V of the Companies Act, 2013. This Salary, Remuneration shall continue to be paid to him within the overall ceiling of total managerial remuneration, as admissible under Section 197 of the Companies Act, 2013, as amended.
- ❖ **APPLICABLE BENEFIT/S:** Allowances, Perquisites, such other Benefits and Amenities as provided by UDTL for its Employees, from time-to-time under its policies; and
- ❖ For the purposes of calculating the above ceiling of remuneration, the Allowances, Perquisites shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such Rule, the same shall be evaluated on Actual Cost basis.

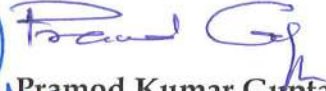
RESOLVED FURTHER THAT in case Company has no profit or inadequate profits, the above remuneration shall also be the minimum remuneration payable to Mr. Kanal Gupta, pursuant to the applicable provisions of Section 197 of the Companies Act, 2013 read with Schedule V and any other enabling provisions of Companies Act, 2013, or any amendment thereto or modification thereof and the Rules, regulations or guidelines there under;

RESOLVED FURTHER THAT UDTL's Board, which term shall be deemed to include any of its Committee/s, be and are hereby authorized in the interest of the Company to commend, alter or vary the above terms of his appointment, remuneration, etc., as they may, deem fit, for the unexpired Tenure of Office, from time-to-time, provided however that, the admissible remuneration (including that had been already disbursed / paid) must at all times be within the prescribed individual and /or overall limits / ceiling, as approved above;

RESOLVED FURTHER THAT any Director and / or the Company Secretary-cum-Compliance Officer of UDTL be and are hereby severally authorised to do all such act/s, deed/s and thing/s, including MCA21 filing/s and any other applicable regulatory authority (or) the like, if any, and to comply with all requirements in this regard and to take all such steps, as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto."

For and on behalf of Board
United Drilling Tools Limited




Pramod Kumar Gupta
Managing Director
DIN - 00619482

Date - 11/02/2023
Place - Noida

NOTES:

1. The MCA vide Circular dated 28th December, 2022 has extended the timeline upto 30th September, 2023 or until further orders whichever is earlier for convening of extraordinary general meetings and passing of Resolutions through Postal Ballot as per the prescribed framework on account of COVID 19 Pandemic. The MCA Circulars provide that the communication of assent / dissent of the members in the Postal Ballot will take place only through e-voting. The requirements provided under Rule 20 of the Rules relating to e-voting shall be applicable mutatis mutandis for passing of Resolution through Postal Ballot by voting through electronic means ("remote e-voting").
2. The Explanatory Statement pursuant to Section 102 and other applicable provisions of the Companies Act, 2013, Secretarial Standards ('SS-2') on General Meetings issued by The Institute of Company Secretaries of India ('ICSI') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'), as amended, pertaining to the resolution setting out the material facts and the reasons thereof are annexed hereto.
3. In accordance with MCA circulars, this postal ballot notice along with explanatory statement and remote e-voting instructions are being sent only through electronic mode to all those members whose names appear on the Register of Members / List of beneficial owners as on **Friday, 31st March, 2023 ("Cut-Off date")** received from the Depositories and whose email ID is registered with the RTA / Depository Participants. Physical copies of this notice, postal ballot forms and pre-paid business envelopes are not being sent to the members for this postal ballot.
4. Members would be able to cast their votes and convey their assent or dissent to the proposed resolution only through the remote e-voting process. Members whose names appear on the Register of Members / List of Beneficial Owners as on the **Cut-Off Date** will only be considered eligible for the purpose of e-voting. A person who becomes a member after the Cut-Off Date should treat this notice for information purpose only.
5. The Company has appointed Central Depository Services (India) Limited ('CDSL') for facilitating e-voting to enable the Members to cast their votes electronically.
6. The manner of voting through remote e-voting as per the facilities arranged by the Company, Members are requested to read the instructions under the section "**PROCESS AND MANNER OF VOTING BY ELECTRONIC MEANS**" of this Notice.
7. The vote in this Postal Ballot cannot be exercised through proxy.
8. Voting rights of a Member / Beneficial Owner (in case of electronic shareholding) shall be in proportion to his/ her/ its shareholding in the paid-up equity share capital of the Company as on the Cut-Off Date.



9. The e-voting period commences at 10:00 a.m. (IST) on Thursday, 6th April, 2023 and ends at 5:00 p.m. (IST) on Friday, 5th May, 2023.
10. Mr. Akash Gupta, Proprietor of M/s Akash Gupta & Associates, Company Secretaries (COP - 11038 and Membership No. F-12187), had appointed as Scrutinizer for conducting this Postal Ballot through remote e-voting process in a fair and transparent manner who had also communicated their willingness to be appointed for the said purpose.
11. The Scrutinizer, immediately after the conclusion of voting, shall unblock the votes cast through remote e-voting. Upon completion of scrutiny of the remote e-voting, the Scrutinizer shall submit his report to the Chairman or any other person authorized by him. The **results of the Postal Ballot** will be announced by the Chairman on **Saturday, 06th May, 2023**. The said results along with Scrutinizer's report will also be uploaded on the Company's website and the website of Stock Exchange(s).
12. The resolution, if passed by the requisite majority, shall be deemed to have been passed as if the same has been passed at a general meeting of the members convened in that behalf. The resolution, if approved by means of Postal Ballot i.e; remote e-voting, shall be deemed to have been passed on the **last date** specified by the Company for remote e-voting i.e; **Friday, 05th May, 2023**.
13. All documents referred to in this Notice will also be available electronically for inspection by the members from the date of circulation of this Notice upto the last date of remote e-voting. Members seeking to inspect such documents, can send an e-mail to compsect@udtltd.com from their registered email ID.
14. SEBI has vide Circular dated November 03, 2021, December 14, 2021 and March 16, 2023 mandated furnishing of PAN, KYC, Contact Details, Bank A/c details, Specimen Signature and Nomination by members holding shares in physical form. The folio wherein any one of the cited documents / details are not available on or after October 01, 2023, shall be frozen by the RTA.
15. The concerned members are requested to furnish the requisite documents / details / information at earliest in the prescribed forms. You can download the prescribed Forms from our Company's website i.e; WWW.UDTLTD.COM.
16. Members who have not registered / updated their email address are requested to register / update the same (i) in case of shares held in demat mode, as per the process advised by concerned Depository Participants; and (ii) in case shares held in physical mode, by emailing to the RTA in the prescribed form ISR-1 along with requisite forms at maheshcp@alankit.com or surinderks@alankit.com.
17. Pursuant to SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 18, 2018 and Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018 mandated the holders of physical shares to convert their shares to De-mat form at the earliest;



PROCESS AND MANNER OF VOTING BY ELECTRONIC MEANS

- 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 **Thursday, April 06, 2023 at 10:00 AM** and ends on **Friday, May 05, 2023 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 **Friday, March 31, 2023** of March 31, 2023 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 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	<ol style="list-style-type: none"> 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 CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting 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 CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN 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 e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 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.nsd.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



	<p>vote during the remote e-Voting period.</p> <p>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</p> <p>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.</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	<p>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.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above-mentioned 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 22 55 33
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 toll free no.: 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 Remote e-Voting 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.

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) <ul style="list-style-type: none">• 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. <ul style="list-style-type: none">• 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 <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; _____ (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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 on COMPSECT@UDTLTD.COM / RTA on MAHESHCP@ALANKIT.COM.
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 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 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to **Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013** or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33.



EXPLANATORY STATEMENT

[Pursuant to section 102(1) of Companies Act, 2013 read with rule 22 of the Companies
(Management and Administration) rules, 2014]

The following explanatory statement set out all the material facts relating to the business proposed to be transacted of the accompanying notice dated February 11, 2023.

Item No. 1: Re-appointment of Mr. Kanal Gupta (DIN - 01050505) as a Whole-time Director of the Company w.e.f February 10, 2023 to February 09, 2028 and fixation of Remuneration, as enhanced, upto Rs. 6,00,000/- per month for a period of three years from February 10, 2023.

Mr. Kanal Gupta, who was appointed as Whole-time Director of the Company for a period of five years commencing from February 10, 2018 vide the ordinary resolution passed by the Shareholders / Members at 36th Annual General Meeting of the Company to hold office upto the conclusion of 41st Annual General Meeting which were inadvertently beyond the limit of 5 years. Upon consideration, recommendation of Nomination and Remuneration Committee ("NRC"), the Board of Director of UDTL in its meeting held on February 11, 2023 has been approved his re-appointment as Whole-time Director of the Company w.e.f. February 10, 2023 for a further period of 5 years, subject to the confirmation of Shareholder / members of the Company, whose office shall continue to be subject, liable to retire by rotation.

UDTL's NRC had assessed his suitability with reference to the core skills, competencies and expertise identified by its Board in the context of the Company's business and sector (viz. General Business / Industry awareness, Functional knowledge / General Management / Administration and Communication and collaborative approach) and also taking into consideration the skills, knowledge and experience already available on the Board.

NRC is of the opinion that Mr. Kanal Gupta by virtue of his proficiency in financial management and business leadership experience has the required expertise, skills and attributes to be a Director, WTD of the Company.

Mr. Kanal Gupta has also demonstrated his leadership skills, accomplished the strategic targets within the defined timelines. Carrying a paragon of capability, expertise, and professionalism over the years, his areas of expertise include Corporate, Sales, Banking, Customer Service, Trade Finance, Foreign exchange, Business continuity planning, etc.

UDTL has received all the applicable statutory disclosures / declarations including consent, in writing, to act as Whole-time Director and designated as Key Managerial Personnel, he is not disqualified under the Act.

Considering the above experience and qualities, the contributions made by him in growth of the Company, the Board of the Company at its meeting held on February 11, 2023 (based on the recommendation of NRC) had approved the increase in remuneration of Mr. Kanal Gupta as hereunder, subject to the approval of shareholders / members of the Company by way of Postal Ballot.



Name & Designation	Period of appointment / re-appointment	Salary including allowances & perquisites per month (Rs.)
Mr. Kanal Gupta Whole-time Director	5 years from 10/02/2023 to 09/02/2028	Up to Rs. 6,00,00 from 10/02/2023 to 09/02/2026

The above monthly remuneration shall include all perquisites and allowances except those which are excluded as per amended schedule V of Companies Act, 2013 such as :

- (a) contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961
- (b) gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- (c) Encashment of leave at the end of the tenure.

The above said remuneration and perquisites shall be subject to the ceiling laid down in Sections 196, 197 and 198, and all other applicable provisions of the Companies Act, 2013 as may be amended, from time to time.

The Scope and quantum of remuneration and perquisites specified hereinabove, may be fixed, enhanced, enlarged, decreased, widened, altered or varied by the Board in the light of and in conformity with any amendments to the relevant provisions of the Companies Act and / or the rules and regulations made there-under from, time to time.

In absence of or inadequacy of profits in any financial year during the currency of tenure of the appointee, the aforesaid remuneration will be paid as the minimum remuneration subject to the provisions of Section II of Part II of amended Schedule V of the Companies Act, 2013 or such other amount as may be provided in Schedule V as may be amended from to time or an equivalent statutory re-enactments thereof.

In terms of Regulation 17(1C) of LODR, the listed company shall ensure that the approval of the shareholders for appointment of person on the Board is taken at the next Annual General Meeting (or) within a time period of three (03) months from the date of appointment / re-appointment, whichever is earlier. Accordingly, Shareholders approval is sought for re-appointment of Mr. Kanal Gupta, as a Whole-time Director on the Board of the Company and remuneration, as enhanced, by way of Postal Ballot.

As required under Regulation 17(11) of LODR, UDTL's Board hereby makes a formal recommendation to its shareholders / members for passing of special resolution for the re-appointment of Mr. Kanal Gupta, as Whole-time Director of UDTL and remuneration, as enhanced, under the heading "Special Business".



Statement Pursuant to Section II of Part-II of Schedule-V of the Companies Act, 2013

I. General Information				
(1)	Nature of Industry	UNITED DRILLING TOOLS LTD is one of the world's leading manufacturers of high quality products used in the upstream operations. We are the manufacturers of Large OD high performance connectors and casing pipes, wireline winches, gas lift equipments and downhole tools in the world. The production facilities are specially adapted to manufacture standard precision equipments and special tools of international standards as per customer's particular specifications.		
(2)	Date or expected date of commencement of commercial production	The Company commenced its commercial production on May 30, 1986.		
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable		
(4)	Financial performance based on given indicators	(Amt. in Crore)		
		2021-22	2020-21	2019-20
	Paid up Capital	20.30	20.30	20.30
	Revenue from operation	166.42	146.50	114.67
	Profit after tax	50.36	32.70	45.22
	EPS (Basic)	24.80	16.09	22.24
(5)	Foreign investments or collaborations, if any	The Company has not entered into any Foreign Collaboration but foreign investment has been made into the Company in the form of NRI shareholders / members		
II. Information about the appointees				
(1)	Background details	<p>Mr. Kanal Gupta has been a valued member of the UDTL's Board & its Committee's. He has made immense contribution, services and continuous endeavours towards the achievement of organizational goals and carried out his responsibilities diligently.</p> <p>He is self-made business-man, done exceedingly well in his working span. He is fully, dedicated, involved with the UDTL's projects and solely very confidently heading the operations.</p> <p>He is ideally suited for the job and having vast</p>		



		experience of Corporate Management and particularly of oil industry and successfully working as an Executive Director of the Company.
(2)	Past remuneration	Rs. 3.5 lakh per month including all perquisite and allowances
(3)	Recognition or awards	None
(4)	Job profile and his suitability	The Job required high level of planning, vision and strategy, technology commercial and leadership skills. It also calls for in-depth understanding of the Oil Industry.
(5)	Remuneration proposed	The details of remuneration are set out above in Explanatory Statement.
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The salary proposed to be paid is in line with current industry standards based upon size and operations of company.
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	<p>He is son of Shri Pramod Kumar Gupta, Chairman-cum-Managing Director of the Company holds approx. 70% of equity shares of the company.</p> <p>Besides the remuneration proposed to be paid to Mr. Kanal Gupta, he does not have any pecuniary relationship with the Company or relationship with any other managerial personnel and Directors, except Shri Pramod Kumar Gupta.</p>
III. Other information		
(1)	Reasons of loss or inadequate profits	<p>Factors such as general economic slowdown and consequent adverse market costs and high financial cost have severally affected the margins for products manufactured by the company.</p> <p>Fewer tenders floated by the Oil PSU's due to lower demand, inventory piled had impacted the revenue stream and surplus.</p>
(2)	Steps taken or proposed to be taken for improvement	<p>The company has initiated steps as cost control, borrowing, at cheaper rates and improving efficiency etc. Though the prices of raw materials and products are influenced by the external factors.</p> <p>The Company is making all possible efforts to improve the margins.</p>
(3)	Expected increase in productivity and profits in measurable terms.	The Company is very conscious about improvement in productivity and undertakes



constant measure to improve it. Looking at the past performance and efforts being made during the year, the Company is expecting to achieve increase in productivity as well as in profits of the Company.

Brief Information of Director seeking re-appointment through Postal Ballot

[In pursuance of Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards -2 (SS-2)]

Name of Director	Mr. Kanal Gupta
DIN	01050505
Date of Birth	27/10/1982
Age	41
Nationality	Indian
Date of First Appointment on the Board	28/02/2015
Qualifications	MBA in Finance and International Marketing
Experience	Mr. Kanal Gupta having around 15 year's experience in the Business administration, marketing and operations, particularly in Oil and Gas Industry
Number of shares held in the Company	2,900 Equity Share of Rs. 10/ each
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and remuneration last drawn	T&C of Re-appointment - Re-appointed as Whole-time Director of the Company w.e.f. 10/02/2023 to 09/02/2028. Proposed remuneration - Rs. 6.00 Lakh per month including all perquisites and allowances w.e.f 10/02/2023 to 09/02/2026. Remuneration last drawn - Rs. 3.5 Lakh per month including all perquisites and allowances (as per schedule V of the Companies Act, 2013- as it was case of inadequate profitability)
Number of Meetings of the Board attended during the financial year 2022-23	No. of meeting held - 05 No. of meeting attended - 05
Disclosure of relationships between directors <i>inter-se</i>	Mr. Kanal Gupta is Son of Shri Pramod Kumar Gupta, Chairman-cum-Managing Director of the Company
Disclosure of relationship with Manager and other Key Managerial Personnel of the company	No
Names of listed entities* in which he holds the directorship and the membership of the Committees of the Board (i.e., Audit Committee/ NRC)	Nil

*excluding United Drilling Tools Limited



Accordingly, the Board recommends the special resolution set out in item no. 1 of the accompanying notice for the approval of the shareholders / members of the Company.

Save and except Shri Pramod Kumar Gupta, Father and Mr. Kanal Gupta, himself and their respective relatives, if any, none of the other Directors (or) Key Managerial Personnel of the Company are, in any way, concerned or interested, financially or otherwise, in the proposed special resolution as set out in item no.1.

**For and on behalf of Board
United Drilling Tools Limited**




Pramod Kumar Gupta
Managing Director
DIN - 00619482

Date - 11/02/2023
Place - Noida