



# UNITED DRILLING TOOLS LTD.

CIN : L29199DL1985PLC015796

OIL DRILLING EQUIPMENT MANUFACTURING AND SERVICES

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29-06-2021

UDT/SEC/2021-22/BSE-15-NSE-16

Department of Corporate Service

**BSE Limited**

Phiroze Jeejeebhoy Towers,

Dalal Street, Mumbai- 400001

**Security ID - 522014**

Listing Compliance Department

**National Stock Exchange of India Ltd.**

Exchange Plaza, C-1 Block-G,

Bandra Kurla Complex, Bandra (E),

Mumbai - 400051

**Security ID - UNIDT**

**Sub: Earning Updates on Financial Results**

Dear Sir/Ma'am,

Pursuant to regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we are submitting herewith copy of the press release titled "Earning Updates" based on financial results for quarter and year ended 31<sup>st</sup> March, 2021. The earning updates are along with operational highlight on the financial results.

Kindly take the same on record.

Thanking You,

Yours faithfully

**For United Drilling Tools Ltd.**

*Pramod Gupta*

**Pramod Kumar Gupta**

**Managing Director**

**DIN - 00619482**



# United Drilling Tools Limited

CIN: L29199DL1985PLC015796

Head Office: A-22, Phase-II, Noida Distt. – Gautam Budh Nagar, U.P – 201305, India.

## Q4 & 12M FY21 – Earning Updates

Revenue from Operations reported at ₹ 1428.54mn in FY21 and ₹ 469.11 mn in Q4FY21

EBITDA stands at ₹ 426.90mn in FY21 and ₹ 59.47mn in Q4 FY21

PAT at ₹ 326.98 mn in FY21 and ₹ 41.66mn in Q4 FY21

**Noida, 29 June, 2021:** United Drilling Tools Limited, a leading manufacturer of oil drilling tools has announced its 4<sup>th</sup> Quarter and Year ended earning updates of FY2021. Co. reported higher revenue despite challenges, EBITDA and PAT margins are at 29.14% and 22.30% respectively.

### Financial Statement Highlights for FY21 v/s FY20

Particulars (INR MN)	FY 21	FY 20
Revenue from Operations	1428.54	1117.51
Other Income	36.47	29.18
<b>Total Revenue</b>	<b>1465.01</b>	<b>1146.69</b>
Total Expenses	1073.61	619.15
<b>EBITDA</b>	<b>426.90</b>	<b>559.57</b>
<b>EBITDA Margin (%)</b>	<b>29.14%</b>	<b>48.80%</b>
Depreciation	26.75	26.97
Finance Cost	8.75	5.06
<b>PBT</b>	<b>391.40</b>	<b>527.54</b>
Current Tax	62.94	73.37
Deferred Tax	1.48	1.99
<b>Tax</b>	<b>64.42</b>	<b>75.36</b>
<b>PAT</b>	<b>326.98</b>	<b>452.18</b>
Other comprehensive profit / loss	-0.28	-0.63
<b>Net PAT</b>	<b>326.70</b>	<b>451.55</b>
<b>PAT Margin %</b>	<b>22.30%</b>	<b>39.37%</b>
Diluted EPS	16.09	22.24



### Financial Performance Comparison – FY21 v/s FY20

- Total Revenue from operations increased by 27.83% from ₹ 1117.51 Mn in FY20 to ₹ 1428.54Mn in FY21 owing to procurement of big order of INR 125 Cr from ONGC executed in F.Y.2020-21.
- EBITDA decreased by 23.71% y-o-y from ₹559.57Mn in FY20 to ₹426.90Mn in FY21 due to increase in raw material consumption cost owing to surge in steel process and further due to Covid- 19 labour was not available, so the contract labor and allied cost also increased
- PAT decreased by 27.65% y-o-y from ₹ 451.55 in FY20 to ₹ 326.70Mn in FY21.
- Cost of material consumed stood at ₹ 971.58Mn in FY21, compared to ₹ 384.08 Mn in FY20
- Current Assets stood at ₹ 1164.96 Mn in FY21, compared to ₹ 500.97 Mn in FY20 as the orders were executed before time and the same have been realized in April 21/May 21
- Current Liabilities stood at ₹ 343.06 Mn in FY21, compared to ₹ 61.12 Mn in FY20 (Increased due to PCFC loan availed which was repaid in April 21 and May 21)
- ROE in the year has decreased from 27.55 % in FY20 to 16.86 % FY21
- ROCE in the year has decreased from 33.26 % in FY20 to 21.84 % in FY21

### Financial Statement Highlights for Q4 of FY21 v/s Q4 of FY20

Particulars (INR MN)	Q4 FY 21	Q4 FY 20
Revenue from Operations	469.11	222.45
Other Income	4.64	9.23
<b>Total Revenue</b>	<b>473.75</b>	<b>231.68</b>
Total Expenses	423.47	144.40
<b>EBITDA</b>	<b>59.48</b>	<b>96.53</b>
<b>EBITDA Margin (%)</b>	<b>12.55%</b>	<b>41.67%</b>
Depreciation	7.09	7.13
Finance Cost	2.10	2.12
<b>PBT with Exceptional Item</b>	<b>50.29</b>	<b>87.28</b>
<b>Exceptional Items</b>		
<b>PBT</b>	<b>50.29</b>	<b>87.28</b>
Current Tax	7.84	8.58
Deferred Tax	0.78	-2.65
<b>Tax</b>	<b>8.62</b>	<b>5.93</b>
<b>PAT</b>	<b>41.67</b>	<b>81.35</b>
Other comprehensive profit / (loss )	0.25	(0.33)
<b>Net PAT</b>	<b>41.92</b>	<b>81.02</b>
<b>PAT Margin %</b>	<b>8.84%</b>	<b>34.97%</b>
Diluted EPS	2.06	3.99



## Financial Performance Comparison – Q4 FY20 v/s Q4 FY21

- The total Revenue from increased by 111% from ₹ 22.25 Mn in Q4 FY20 to ₹ 46.91 Mn in Q4 FY21 mainly due to change in product mix.
- EBITDA stood at ₹ 59.48 Mn in Q4 FY21, compared to ₹ 96.53 Mn in Q4 FY20
- Net profit stood at ₹ 41.67 Mn in Q4 FY21, compared to ₹ 81.35 Mn in Q4 FY20

## Business Updates

### 1. Progress on setting up a new manufacturing plant in Gujarat near Mundra Port;

The Mundra plant will be fostering the most recent planned items, for example, packaging pipe with the connector gathering section further extending the current item portfolio. Moreover, it will upgrade UDTL's manufacturing capacity as this unit will be capable of producing highly customized designs which require advanced level of precision engineering and making this a best in class unit.

### 2. Update on the execution of orders received from UK worth \$1,10,000 USD;

UDTL has also progressed in the execution of orders received from UK based global offshore engineering solution provider, Aquaterra Energy. As committed, the orders have been executed and delivered in March 2021.

### 3. Order book position as on 31<sup>st</sup> March 2021;

UDTL has a confirmed order book position of more than ₹ 800 mn from the domestic markets, the details of the order is as follows; connectors worth ₹~42 mn connectors, casing pipes worth ₹150 mn, winches worth ₹10 mn gas lift valves worth ₹20 mn and stabilizers worth ₹25 mn.

## Management Comments

Commenting on the performance of Q4 FY21, Mr. Pramod Kumar Gupta, Chairman & Managing Director, United Drilling Tools Ltd. said, "We would like to express my gratitude to all fellow stakeholders as this been one of the most challenging yet successful financial year in the history of United Drilling Tools Ltd, we have exhibited great performance despite challenges. The pandemic era, global dynamics and abnormal increase in raw material prices have opened up several challenges in the past year, but we have evolved through these and overcome them. We feel confident and are well equipped to be able to deliver our performance and be able to exploit different opportunities despite any hurdles that may be at macro or micro levels. The Board declared a dividend of Rs. 2.1 per share (21% of face value) in FY21.

For the H1 of FY22, our core focus is going to be on getting order from Indian oil companies also as international oil companies and repair providers. We also are in process of developing some new products and improving the planning of existing product which can open new marketplace for us."



## Management Guidance

UDTL intends to increase its revenue by above **30%** on y-o-y basis for next 2 years and expects its EBITDA margins to be **30-35 %** in this fiscal and the next fiscal. This will be possible due to increased contribution from exports and change in product mix, further with new capacities added for value added products which will expand margins. Also, UDTL has been added by many MNC oil explorations cos and expects to procure sizeable orders in the coming years. UDTL has already bidding for orders of ₹ ~**1250** mn from Oil companies in domestic market as well as from global oil major companies, further UDTL proposes to bid for orders ₹~**1000** mn also in the coming quarter, all these orders are proposed to be executed by March 2022. As a business strategy and in tandem with the policy, UDTL focuses on bidding for high margin segment product and is in the process of adding a new product to cater high-tech segment players of Oil & Gas Industry.

## About United Drilling Tools Ltd.

Commenced operation in the Year 1985, headquartered at New Delhi, the company is Worldwide Leader in Connector Technology. United Drilling is a leading Manufacturer of Wire line & well service equipment, Gas lift equipment's, Downhole tools and large OD casing pipe with connector in the world. All the equipment can be supplied with most reliable designs and quality and are very competitively priced as compared to other suppliers. United Drilling Tools Limited is dedicated to manufacture high-quality products of field -proven test designs in conformity with international standards as per ISO 9001.

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

Nikhil Gupta

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