



UNITED DRILLING TOOLS LTD.

CIN : L29199DL1985PLC015796

OIL DRILLING EQUIPMENT MANUFACTURING AND SERVICES

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USE PREFIX FOR CALLING

From outside country - 91 - 120

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From New Delhi - 0120

Please Reply to Head Office

A-22, Phase - II, Noida - 201305

Distt. Gautam Budh Nagar,

Uttar Pradesh, India

E-mail : ENQUIRY@UDTLTD.COM

Website : WWW.UDTLTD.COM

27/05/2023

UDT/SEC/2023-24/BSE-11-NSE-11

To,
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: Annual Secretarial Compliance Report for the FY ended March 31, 2023.

Dear Sir/Madam,

Pursuant to regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular CIR/CFD/CMD1/27/2019 dated February 8, 2019, enclosed herewith the Annual Secretarial Compliance Report for the financial year ended March 31, 2023 issued by M/s Balraj Sharma & Associates, Practicing Company Secretary and Secretarial Auditor of the Company.

The disclosure is also being disseminated on the Company's website at www.udtltd.com.

Kindly take the same on record.

Thanking you,

Yours Faithfully,

For United Drilling Tools Limited

INDERPAL

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SHARMA

Inderpal Sharma

Director

DIN - 07649251

Digitally signed
by Inderpal
SHARMA
Date: 2023.05.27
17:19:37 +05'30'



BALRAJ SHARMA & ASSOCIATES

COMPANY SECRETARIES

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

Tel : 23282565, 23254488, 23274488, Fax : 30124488, Mobile : 9810065041, E-mail : balrajsharmafcs@yahoo.co.in

Secretarial Compliance Report of United Drilling Tools Ltd for the financial year ended 31st March, 2023

I, Balraj Sharma of M/s Balraj Sharma & Associates, Company Secretaries, have examined:

- a) all the documents and records made available to us and explanation provided by **United Drilling Tools Ltd("the listed entity")**,
- b) the filings/ submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the financial year ended March 31, 2023("**Review Period**") in respect of compliance with the provisions of:

- a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, **Not Applicable during the review period;**
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **to the extent applicable;**
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2011 to the extent applicable, **Not Applicable during the review period;**
- e) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 **to the extent applicable;**
- f) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 **to the extent applicable;**

g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;

	functional website • Timely dissemination of the documents information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website	Yes Yes	
4.	Disqualification of Director: None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity	Yes	
5.	Details related to Subsidiaries of listed entities have been examined w.r.t. a) Identification of material subsidiary companies b) Disclosure requirement of material as well as other subsidiaries (Company is not having any material subsidiaries)	NA Yes	The management had identified that during the period under review, there was no Material Subsidiary Company
6.	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	
7.	Performance Evaluation:		

	The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	
8.	Related Party Transactions: a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	Yes NA	
9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	
11.	Actions taken by SEBI or Stock Exchange(s), if any: No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under	Yes	

	separate paragraph herein (**).		
12.	Additional Non-compliances, if any: No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.	Yes	No Non-compliance observed for all SEBI Regulations except mentioned below

Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations/ Remarks by PCS*
1.	Compliances with the following conditions while appointing/re-appointing an auditor		
	I. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or II. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or III. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.	N.A	
2.	Other conditions relating to resignation of statutory auditor		
	i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:	N.A.	

	a) In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information/non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings. b) In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/explanation sought and not provided by the management, as applicable. c) The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor. ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where		
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	the listed entity/ its material subsidiary has not provided information as required by the auditor.		
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019.	N.A.	

Further, based on the above examination, we hereby report, during the review period that:

(a) (**) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sr. No.	Compliance Requirement	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	Related Party Transactions for the Qt ended September, 2022	Regulation 23(9) of SEBI (LODR) Regulations, 2015	N/A	BSE Limited	Fine levied for Non/Late compliance for purported Non-Compliance	BSE has imposed fine and sent an mail Dated 27/12/2022 & 12/01/2023 for the purported non-compliance	Rs. 1,71,100/ & then enhanced to Rs. 2,65,500/	The Company has duly filed & submitted the Compliance to both stock exchanges (BSE & NSE) within time limit as specified. However, BSE Ltd. had observed that the Company had not submitted the related party disclosure on time and not accepting the Compliance made by the Company which is clearly shown on the BSE website under Corporate Announcement.	The Company had submitted the Compliance on 14/01/23, the proof of earlier Compliance made within the time limit along with acknowledgment and requested the BSE Ltd. to withdraw the notice for purported Non-Compliance and then filed the waiver application Dated 20/01/2023.	Waiting for the response of BSE Limited to consider the Waiver Application filed by the Company.

b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Compliance Requirement	Regulation/Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	Constitution of Risk Management Committee	Regulation 21 of SEBI (LODR) Regulations, 2015	N/A	BSE Ltd. and National Stock Exchange of India Ltd.	Fine levied for Non/Late compliance for non-compliance	BSE and NSE Ltd. had imposed fine and email sent by both stock exchange/s dated 21/02/2022 & 20/05/2022 for the late submission of Compliance	Rs. 1,34,520 vide notice/s dated 21/02/2022 and Rs. 94,400 vide notice/s dated 20/05/2022	The Company had duly constituted the Risk Management Committee dated 08/08/2015 and necessary compliance made by informing the BSE Ltd. (being only Stock Exchange where Company's Equity shares were listed, then).	The Company had paid the complete fine to both stock exchanges under protest by submitting the combined waiver application as the Company had duly constituted the Risk Management Committee on 08/08/2015.	Waiting for the response of both Stock Exchange to waive the Complete fine imposed for the purported non-compliance under regulation 21 of SEBI (LODR) Regulations, 2015.

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For Balraj Sharma & Associates

Company Secretaries

BALRAJ

SHARMA

Digitally signed by

BALRAJ SHARMA

Date: 2023.05.27

16:39:33 +05'30'

(Balraj Sharma)

FCS-1605, CP-824

UDIN: F001605E000399112

PR Certificate: 1463/2021

Date: 27/05/2023

Place: New Delhi