Aban Offshore Limited

Date: 21.08.2023

To

BSE Ltd Phiroze Jeejeebhoy Towers 21st Floor, Dalal Street Mumbai 400 001. Scrip Code :: **523204** **Through :: BSE Listing Centre**	National Stock Exchange of India Ltd Exchange Plaza, 5th Floor Plot No :: C/1 G Block Bandra – Kurla Complex Bandra (E),Mumbai 400 051 Symbol :: **ABAN** **Through :: NEAPS**

Dear Sir/Madam,

Sub: Annual Report for the Financial Year 2022-23 and Notice convening the 37th Annual general Meeting (AGM) of the Company.

Pursuant to Regulation 34 of the SEBI (LODR) Regulations, 2015, we submit herewith the Annual Report of the Company for the Financial Year 2022-23 containing inter-alia Notice convening the 37th AGM of the Company scheduled to be held on Monday, the 25th day of September 2023 at 10.15 A.M, through Video Conferencing (VC) or Other Audio Visual Means (OAVM).

The Annual Report containing the AGM Notice is also uploaded on the Company's website www.abanoffshore.com

This is for your kind information and records.

Yours truly

For **Aban Offshore Limited**

S N Balaji

Digitally signed by S N Balaji
Date: 2023.08.21 17:31:46 +05'30'

S.N.Balaji
Deputy General Manager (Legal) & Secretary

Encl :a/a

Annual Report
Financial Year 2022-23

aban
Offshore Limited

Contents

Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties, and even inaccurate assumptions. Should know or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise.

"Do not follow where the path may lead.
Go instead where there is no path and leave a trail."

M.A. ABRAHAM | 1939-2004

CORPORATE INFORMATION

BOARD OF DIRECTORS

P. Murari	-	Chairman
P. Venkateswaran	-	Vice Chairman (w.e.f 03.08.2022)
Reji Abraham	-	Managing Director
K. Bharathan	-	Director
Ashok Kumar Rout	-	Director
Deepa Reji Abraham	-	Director
Subhashini Chandran	-	Director
C.P. Gopalkrishnan	-	Deputy Managing Director & Chief Financial Officer
S.N.Balaji	-	Deputy General Manager (Legal) & Secretary

AUDIT COMMITTEE

P. Murari	-	Chairman
K. Bharathan	-	Member
P. Venkateswaran	-	Member
Ashok Kumar Rout	-	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

K. Bharathan	-	Chairman
P. Venkateswaran	-	Member
C. P. Gopalkrishnan	-	Member

COMPENSATION COMMITTEE

P. Murari	-	Chairman
K. Bharathan	-	Member
Reji Abraham	-	Member

NOMINATION & REMUNERATION COMMITTEE

K. Bharathan	-	Chairman
P. Murari	-	Member
Ashok Kumar Rout	-	Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Ashok Kumar Rout	-	Chairman
C.P. Gopalkrishnan	-	Member
Deepa Reji Abraham	-	Member
Subhashini Chandran	-	Member

STATUTORY AUDITORS

Ford Rhodes Parks & Co. LLP
Chartered Accountants
Sakthi Towers III,
E1 & E2, Sixth Floor
No. 766, Anna Salai
Chennai- 600 002

BANKERS

AXIS BANK LIMITED
BANK OF BARODA
BANK OF INDIA
CANARA BANK
CENTRAL BANK OF INDIA
EXPORT IMPORT BANK OF INDIA
ICICI BANK LIMITED
IDBI BANK LIMITED
INDIAN BANK
INDIAN OVERSEAS BANK
PUNJAB NATIONAL BANK
STATE BANK OF INDIA
UNION BANK OF INDIA

REGISTERED OFFICE

“Janpriya Crest”
113 Pantheon Road Egmore
Chennai - 600 008.
CIN : L01119TN1986PLC013473
Website : www.abanoffshore.com
Email ID : secretarial@aban.com
Phone : 044 - 49060606
Fax : 044-28195527

REGISTRAR AND SHARE TRANSFER AGENT

CAMEO CORPORATE SERVICES LIMITED
Unit: Aban Offshore Limited
“Subramanian Building”
No.1, Club House Road, Chennai - 600 002.
Email ID : investor@cameoindia.com
Phone : 044 - 28460390
Fax : 044 - 28460129

Aban Offshore Limited

Registered Office
'Janpriya Crest' 113, Pantheon Road, Egmore, Chennai 600 008.

NOTICE TO MEMBERS

Notice is hereby given that the Thirty Seventh Annual General Meeting of the members of **Aban Offshore Limited** will be held on Monday the 25th September 2023 at 10.15 A.M. to transact the following business:/ through **Video Conferencing ("VC") Other Audio Visual Means ("OAVM")** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the financial statements,namely (i) the Audited Balance Sheet as at 31st March, 2023 (ii) the Audited Profit and Loss Account for the year ended on that date, (iii) cash flow statement for the financial year ended on that date (iv) statement of changes in Equity, if any (v) an Explanatory statement annexed to, or forming part of the documents referred to in (i) to (iv) above together and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. C.P Gopalkrishnan (DIN: 00379618) who retires by rotation and being eligible offers himself for reappointment

// By Order of the Board //

Chennai- 600 008
May 24, 2023

S.N.Balaji
Dy. General Manager (Legal) & Secretary

NOTES

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the Annual General Meeting ("AGM") venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Further, the Securities and Exchange Board of India ('SEBI') vide its Circular dated May 13, 2022 read with Circular January 5, 2023 ('SEBI Circulars') and other applicable circulars issued in this regard have provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the 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 AGM through VC/OAVM will be made available for 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 AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. 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 the Circulars issued by the Ministry of Corporate Affairs 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. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as voting on the date of the AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice and Annual Report calling the AGM has been uploaded on the website of the Company at www.abanoffshore.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited, NSE India Limited and NSDL at www.bseindia.com, www.nseindia.com and www.evoting.nsdl.com respectively.

7. Pursuant to MCA and SEBI Circulars, the Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories.

8. Members who are holding shares in physical form are requested to avail dematerialization facility. For further information, please refer to FAQs posted by National Securities Depository Limited on its website www.nsdl.co.in and Central Depository Services (India) Limited on its website www.cdslindia.com.

9. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Registrar and Share Transfer Agent CAMEO CORPORATE SERVICES LIMITED in case the shares are held by them in physical form.

10. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 18th September, 2023 through email at secretarial@aban.com. The same will be replied by the Company suitably.

11. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

12. Instructions for e-voting and joining the AGM are as follows:

A. VOTING THROUGH ELECTRONIC MEANS

i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.

ii. The remote e-voting period commences on September 22, 2023 (9:00 a.m. IST) and ends on September 24, 2023 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on 18th day of September 2023 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast 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 during the AGM.

iii. The Board of Directors has appointed G Ramachandran (Membership No. FCS 9687) of M/s. G Ramachandran & Associates LLP, Practicing Company Secretaries as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.

iv. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.

v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

vi. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

vii. The details of the process and manner for remote e-voting are explained herein below:

14. How do I vote electronically using NSDL e-Voting system?

    The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular 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.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

Individual Shareholders holding securities in demat mode with CDSL	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 Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.
	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 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 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.
Individual Shareholders (holding securities in demat mode) login through their depository participants		You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL 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. NSDL and CDSL.

Login type	Helpdesk details
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
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

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. 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.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on **"Forgot User Details/Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) "**Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.

5. Upon confirmation, the message “Vote cast successfully” will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to ramgcs@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre or Mr. Amit Vishal at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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 secretarial@aban.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to secretarial@aban.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast 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 in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

3. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.abanoffshore.com and on the website of NSDL https://www.evoting.nsdl.com immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

4. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at abanoffshoreagm.speakers@aban.com from September 17, 2023 (9:00 a.m. IST) to September 19, 2023 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

// By Order of the Board //

Chennai- 600 008
May 24, 2023

S.N.Balaji
Dy. General Manager (Legal) & Secretary

Aban Offshore Limited is amongst India's largest offshore drilling companies. The Company has earned respect in the global offshore drilling industry due to its operational competitiveness.

Corporate snapshot

Vision

To be the leading global offshore company providing drilling, exploration and production services to our clients by consistently achieving targets beyond expectations through an amalgamation of our competent and motivated people, equipment and innovative expertise.

Background

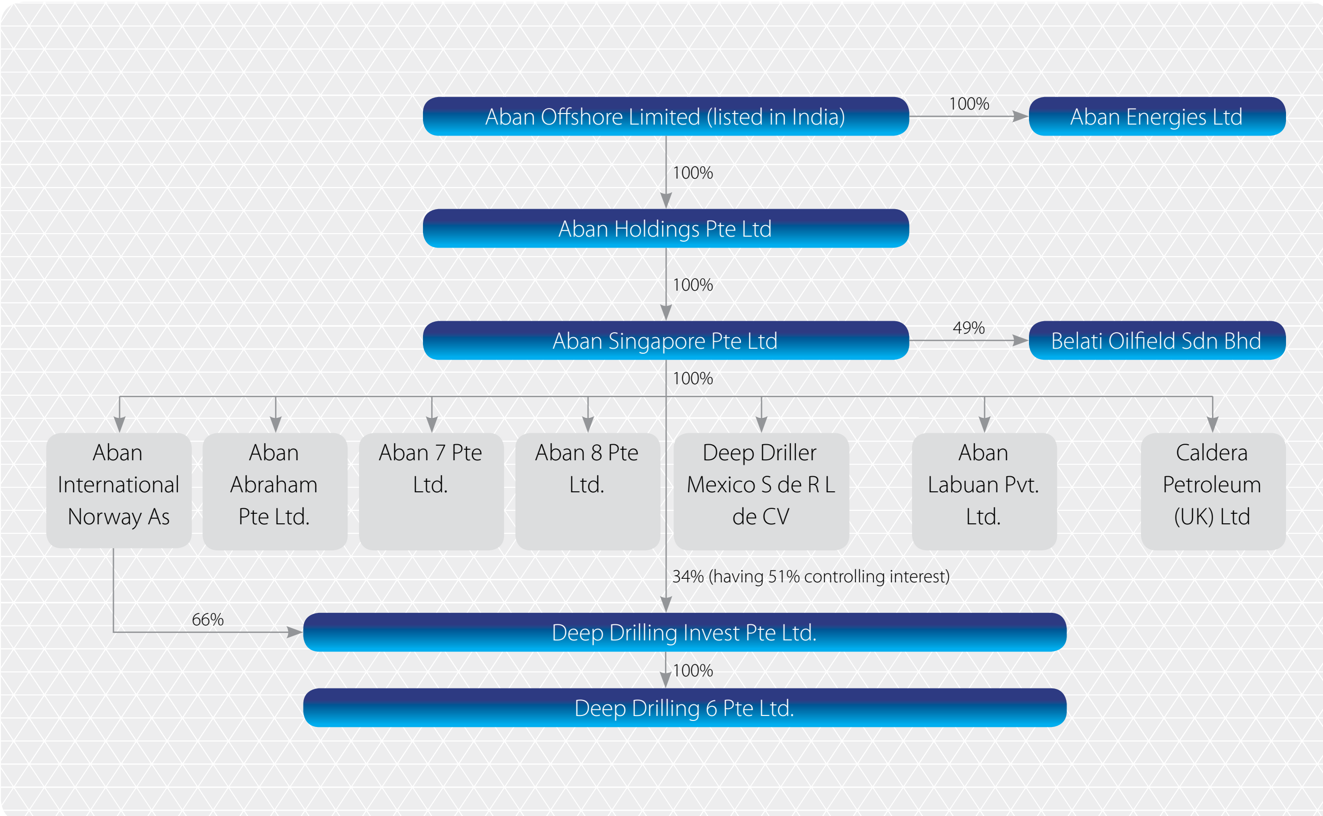
The Aban group was founded by Mr. M.A. Abraham in 1966 as an engineering firm in Chennai, India. Mr. Abraham engaged in the business of high-pressure systems and cross-country pipelines after gaining experience in the construction industry. He had spread his business across the value-added sectors of drilling, power generation and IT-enabled services on the back of extensive knowledge.

Mission

We will be recognised as global leaders, by offering our clients superior service, including experienced, suitably trained and motivated personnel, superior, reliable and efficient equipment with environmentally friendly operations.

We will achieve leadership status by actively encouraging our employees to attain the highest standards of ethics, honesty and integrity. We will foster pride, enthusiasm, creativity and teamwork to ensure trust and confidence in our employees, clients and suppliers. We will actively support and emphasise 'zero tolerance to unsafe working practices and conditions, by utilising and implementing the best industry safety standards in our operations at all times. We will actively grow Aban through financial discipline and cost-effective asset management to deliver superior returns to our clients and shareholders.

Our corporate structure



Our esteemed clientele

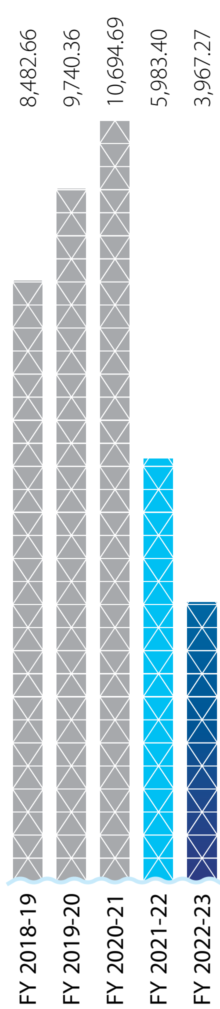
ONGC Limited	Petrobras (Brazil)	Brunei Shell Petroleum Co Sendirian Berhad	Chevron (Thailand) Limited	PEMEX (Mexico)	Petronas Carigali Sendirian Berhad	Reliance I ndustries Ltd.	Hardy Exploration & Production (India) Inc	Shell Malaysia Limited
Gujarat State Petroleum Corporation Limited	Hindustan Oil Exploration Company Limited	Vedanta Limited	Bunduq Oil Company Limited	Kosmos Energy (Ghana)	PetroSA EG	Vietsov Petro (Vietnam)	Total E&P (Qatar)	ONGC Videsh Limited
Masirah Oil Limited (Oman)	Dubai Petroleum Establishment	Santos Bangladesh Limited	Petrofac (Malaysia)	Exxon Mobiil (Malaysia)		Dana Gas (UAE)		

Our consolidated financial results for FY 23

(Rs. in million)

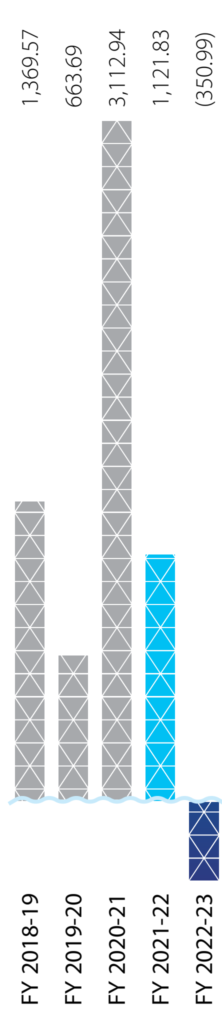
Particulars	Consolidated	
	FY 2022-23	FY 2021-22
Revenues	3967.27	5,983.40
Expenses	(4318.26)	(4,861.18)
EBITDA	(350.99)	1122.22
EBITDA margin %	(8.85)	18.75
Finance costs	(11,095.77)	(10,966.34)
Depreciation	(471.05)	(1,448.64)
Other Income / Share of profit from associates	451.38	138.50
Profit / (Loss) before tax	(11,466.43)	(11,154.26)
Tax including Deferred Tax	(282.43)	(230.00)
Profit / (Loss) after tax	(11,748.86)	(11,384.26)
Impairment/ Reversal thereon of property, plant, equipment and Write down of inventory	599.44	(10,844.41)
Impairment/write-off receivables	(667.64)	(82.85)
Exceptional Item loan waiver	933.12	541.13
Other comprehensive income	(16,935.51)	(5,126.49)
Net Profit/(Loss) before discontinued operations	(27,819.45)	(26,896.88)
(Loss) from discontinued operations	(23.53)	(0.39)
Net Profit/(Loss) after discontinued operations	(27,842.98)	(26,897.27)

Our financial performance over the last few years



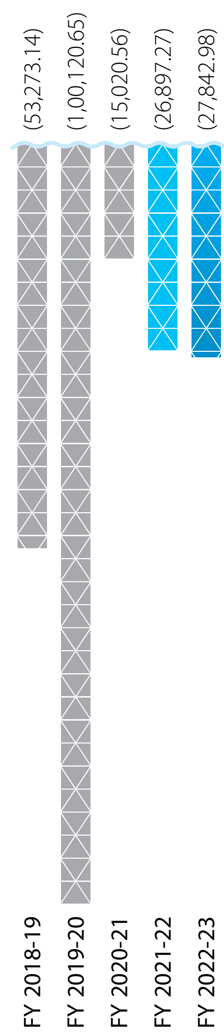
(Rs. in million)

Revenue



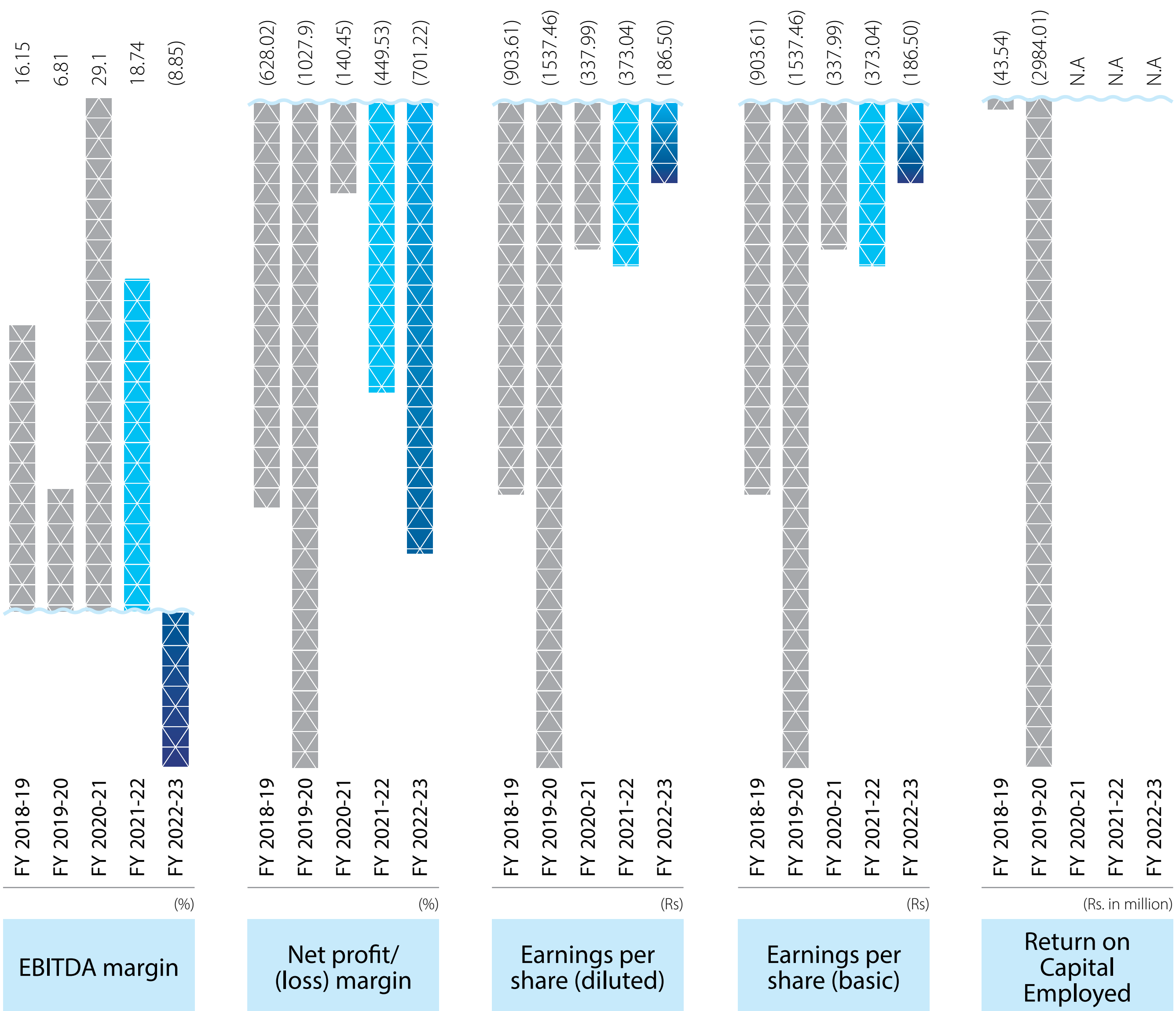
(Rs. in million)

EBITDA



(Rs. in million)

Net profit/ (loss)


16.15
6.81
29.1
18.74
(8.85)
FY 2018-19
FY 2019-20
FY 2020-21
FY 2021-22
FY 2022-23
(%)
EBITDA margin
(628.02)
(1027.9)
(140.45)
(449.53)
(701.22)
FY 2018-19
FY 2019-20
FY 2020-21
FY 2021-22
FY 2022-23
(%)
Net profit/ (loss) margin
(903.61)
(1537.46)
(337.99)
(373.04)
(186.50)
FY 2018-19
FY 2019-20
FY 2020-21
FY 2021-22
FY 2022-23
(Rs)
Earnings per share (diluted)
(903.61)
(1537.46)
(337.99)
(373.04)
(186.50)
FY 2018-19
FY 2019-20
FY 2020-21
FY 2021-22
FY 2022-23
(Rs)
Earnings per share (basic)
(43.54)
(2984.01)
N.A
N.A
N.A
FY 2018-19
FY 2019-20
FY 2020-21
FY 2021-22
FY 2022-23
(Rs. in million)
Return on Capital Employed

Managing Director's business review

The restructuring was accompanied by an improvement in the sectoral environment. The price of oil reached a high of USD 120 per barrel on 13th June 2022 during the year under review, before settling to a close of USD 80 per barrel on 31st December 2022.

Overview

In the previous year's annual report, your management expressed its commitment to reducing liabilities while also recognizing the importance of taking advantage of industry opportunities. I must communicate that we achieved both during the year under review, validating the commitment to protect and revive the business.

During the year under review, your management accelerated the restructuring of its business. It settled some outstanding debt by divesting assets. Besides, it entered into fresh contracts and sustained existing ones with the objective to enhance revenues. This restructuring of our Balance Sheet indicates traction on both counts.

Sectoral improvement

The restructuring was accompanied by an improvement in the sectoral environment. The price of oil reached a high of USD 120 per barrel on 13th June 2022 during the year under review, before settling to a close of USD 80 per barrel on 31st December 2022. Around the end of the financial year, the Organisation of Petroleum Exporting Countries (OPEC) responded to a temporary weakness in oil prices with a calibrated reduction in production, strengthening realisations. We see this responsiveness as a sign of OPEC clarity and collaboration, which is expected to protect the health of petroleum exporters. In turn, we see their improved cash flows as the first step that could lead to reinvestments in fresh exploration and the consequent deployment of additional rigs. We see this as an opportunity in translating into stable or higher day rates for rigs, enhancing revenue visibility for companies like ours.

At our company, we are under no illusion that a renewable energy-driven world will not affect the long-term role of fossil fuels. However, we also do believe that the transition will not be 100%; there will be constraints in the quantum of renewable energy that can be produced to service the growing needs of the world. The transitioning will also not be as quick as is expected. During the last financial year, in the wake of the Russia-Ukraine war, energy supplies were disrupted across Europe, prompting some European countries to turn to conventional fuels. While we do recognise that the transitioning to non-fossil fuels has begun, fossil fuels are expected to have a longer run than was earlier forecast. This is expected to sustain the exploration activities of some of the largest companies the world over for the next few decades.

Asset deployment

The Company focused on maximizing asset utilization during the year under review. All four rigs were deployed with ONGC. Aban II was deployed in the third week of February 2021 at an attractive rate; Aban VIII was deployed on June 2022; Aban III commenced the new contract with ONGC at a rate higher than its previous contract in April 2023; Aban IV was contracted to ONGC in March 2020, which is expected to continue till October 2023. After completion of the ongoing contract, rig Aban IV will be deployed under a new ONGC contract, already awarded by ONGC at substantially higher day rates. All contracts with ONGC are for 36 months.

The result of the company's commitment is that all four rigs are likely to be deployed completely for the next two years. This has enhanced revenue visibility. It would also be relevant to indicate that the company's knowledge capital continued to be protected during the year under review. One of the positives to emerge during the downturn was the reliability and respect the company commanded among its employees resulting in minimal attrition. The Company continued to refurbish its assets, protecting its operational safety, which, in turn, translated into high employee confidence. Their competence attracted customers and challenging projects, strengthening asset deployment and utilization.

Responsibility

The Company continued to emphasise the importance of its ESG commitment, reflected in the maintenance and operability of its assets. The Company continues to be respected for its process discipline that makes operations safe and secure for all stakeholders. The result is that the company's assets deliver a high uptime leading to uninterrupted exploration, superior customer proposition and complete regulatory compliance.

During the year under review, the company decided to extend beyond its conventional offshore drilling services with the objective to enhance revenues. The Company intends to utilize its knowledge of ground realities within the sector by scaling its rich experience and knowledge in the offshore industry by exploring different business models.

Your management remains cautiously optimistic of enhanced asset utilisation and improved day rates beyond the contracted periods. Besides, the company continues to enjoy credible relationships with prominent oil exploration companies, which could make it possible to sustain deployment following the expiry of the current contracted periods.

Outlook

Your management's priority will be to explore the global oil exploration universe, identify exploration and related service programmes and seek opportunities to enhance revenues (asset-driven or asset-light). Besides, the company will continue to engage with its lenders to renegotiate term loans.

The Company believes that lower rigs construction the world over could lead to a stability in day rates. The Company's strategy of combining asset-driven and asset-light models possesses the potential to capitalise and strengthen viability.

Reji Abraham,

Managing Director

Management discussion and analysis

Global economy

Overview: The global economic growth was estimated at a slower 3.2% in 2022, compared to 6% in 2021 (which was on a smaller base of 2020 on account of the pandemic effect). The relatively slow global growth of 2022 was marked by the Russian invasion of Ukraine, unprecedented inflation, pandemic-induced slowdown in China, higher interest rates, global liquidity squeeze and quantitative tightening by the US Federal Reserve.

The challenges of 2022 translated into moderated spending, disrupted trade and increased energy costs. Global inflation was 8.7% in 2022, among the highest in decades. US consumer prices increased about 6.5% in 2022, the highest in four decades. The Federal Reserve raised its benchmark interest rate to its highest in 15 years. The result is that the world ended in 2022 concerned that the following year would be slower.

Global FDI inflows – equity, reinvested earnings and other capital – declined 24% to nearly USD 1.28 trillion in 2022. Global trade expanded by 2.7% in 2022 (expected to slow to 1.7% in 2023). (Source: OECD, WTO data)

The S&P GSCI TR (Global benchmark for commodity performance) fell from a peak of 4,319.55 in June 2022 to 3495.76 in December 2022. There was a decline in crude oil, natural gas, coal, lithium, lumber, cobalt, nickel and urea realisations. Brent crude oil dropped from a peak of around USD 120 per barrel in June 2022 to USD 80 per barrel at the end of the calendar year following the enhanced availability of low-cost Russian oil.

Regional growth (%)	2022	2021
World output	3.2	5.9
Advanced economies	2.5	5
Emerging and developing economies	3.8	6.3

Performance of major economies

United States: Reported GDP growth of 2.1% compared to 5.9% in 2021

China: GDP growth was 3% in 2022 compared to 8.1% in 2021

United Kingdom: GDP grew by 4.1% in 2022 compared to 7.6% in 2021

Japan: GDP grew 1.7% in 2022 compared to 1.6% in 2021

Germany: GDP grew 1.8% compared to 2.6% in 2021

[Source: PWC report, EY report, IMF data, OECD data] .

Outlook

The global economy is expected to grow 2.8% in 2023, influenced by the ongoing Russia-Ukraine conflict. Concurrently, global inflation is projected to fall marginally to 7%. Despite these challenges, there are positive elements within the global economic landscape. The largest economies like China, the US, the European Union, India, Japan, the UK and South Korea are not in a recession. Approximately 70% of the global economy demonstrates resilience, with no major financial distress observed in large emerging economies. The energy shock in Europe did not result in a recession and significant developments, including China's progressive departure from its strict zero-covid policy and the resolution of the European energy crisis, fostered optimism for an improved global trade performance. Despite high inflation, the US economy demonstrated robust consumer demand in 2022. Driven by these positive factors, global inflation is likely to be still relatively high at 4.9% in 2024. Interestingly, even as the global economy is projected to grow less than 3% for the next five years, India and China are projected to account for half the global growth (Source: IMF).

Indian economy

Overview: Even as the global conflict remained geographically distant from India, ripples comprised increased oil import bills, inflation, cautious government and a sluggish equity market. India's economic growth was 7.2% in FY 2022-23. India emerged as the second fastest-growing G20 economy in FY 2022-23. India overtook UK to become the fifth-largest global economy. India surpassed China to become the world's most populous nation (Source: IMF, World Bank)

Growth of the Indian economy

	FY 20	FY 21	FY 22	FY23
Real GDP growth(%)	3.7	-6.6%	9.1	7.2

Growth of the Indian economy quarter by quarter, FY 2022-23

	Q1FY23	Q2FY23	Q3FY23	Q4FY23
Real GDP growth (%)	13.1	6.2	4.5	6.1

(Source: Budget FY24; Economy Projections, RBI projections)

According to the India Meteorological Department, the financial year 2023 delivered 8% higher rainfall over the long-period average. Due to unseasonal rains, India's wheat harvest was expected to fall to around 102 million metric tons (MMT) in FY 2022-23 from 107 MMT in the preceding year. Rice production at 132 million metric tons (MMT) was almost at par with the previous year. Pulses acreage grew to 31 million hectares from 28 million hectares. Due to a renewed focus, oilseed area increased by 7.31% from 102.36 lakh hectares in FY 2021-22 to 109.84 lakh hectares in FY 2022-23.

India's auto industry grew 21% in FY23; passenger vehicle (UVs, cars and vans) retail sales touched a record 3.9 million units, crossing the previous high of 3.2 million units in FY19. The commercial vehicles segment grew by 33%. Two-wheeler sales fell to a seven-year low; the three-wheeler category grew 84%.

Till the end of Q3FY23, the banking system's total gross non-performing assets (NPAs) fell to 4.5% from 6.5% a year ago. Gross NPA for FY23 was expected to be 4.2% and a further drop is predicted to be 3.8% in FY2023-24.

As India's domestic demand remained steady amidst a global slowdown, import growth in FY23 was estimated at 16.5% to USD 714 billion as against USD 613 billion in FY22. India's merchandise exports were up 6% to USD 447 billion. India's total exports (merchandise and services) grew 14% to a record of USD 775 billion and is expected to touch USD 900 billion in FY2023-24. India's current account deficit, a crucial indicator of the country's balance of payments position, was USD 67 billion or 2% of GDP. India's fiscal deficit was in nominal terms at ~ Rs 17.55 lakh crore, which is 6.4% of the country's GDP for the year ending 31 March, 2023.

India's headline foreign direct investment (FDI) numbers rose to a record USD 84.8 billion in FY 2021-22, However, during the fiscal year 2022-23, the country experienced a 16% decrease in foreign direct investment (FDI) inflows, amounting to USD 71 billion on a gross basis. This decline can be attributed to the unfavourable global economic conditions and stands as the first contraction in FDI in the past ten years.

India's foreign exchange reserves, which had witnessed three consecutive years of growth, experienced a decline of approximately USD 70 billion in FY 2022-23, primarily influenced by rising inflation and interest rates. Starting from USD 606.47 billion on April 1, 2022, reserves decreased to USD 578.44 billion by March 31, 2023. The Indian currency also weakened during this period, with the exchange rate weakening from Rs. 75.91 to a US dollar to Rs. 82.34 by 31 March, 2023, driven by a stronger dollar and an increasing current account deficit. Despite these factors, India continued to attract investable capital.

The country's retail inflation, measured by the consumer price index (CPI), eased to 5.66% in March 2023. Inflation data on the Wholesale Price Index, WPI (calculates the overall price of goods before retail) eased to 1.3% during the period. In 2022, CPI hit its highest of 7.79% in April; WPI reached its highest of 15.88% in May 2022. By the close of the year under review, inflation had begun trending down and in April 2023 declined below 5%, its lowest in months.

India's total industrial output for FY23, as measured by the Index of Industrial Production or IIP, grew 5.1% year-on-year as against a growth of 11.4% in FY 2021-22.

India moved up in the Ease of Doing Business (EoDB) rankings from 100th in 2017 to 63rd in FY23. As of March 2023, India's unemployment rate was 7.8%.

In FY 2022-23, total receipts (other than borrowings) were estimated at 6.5% higher than the Budget estimates. Tax-GDP ratio was estimated to have improved by 11.1% Y-o-Y in RE 2022-23. The government is also estimated to have addressed 77% of its disinvestment target in FY23 (Rs 50,000 crore against a target of Rs 65,000 crore).

The total gross collection for FY23 was Rs 18.10 lakh crore, an average of Rs 1.51 lakh a month and up 22% from FY22, India's monthly goods and services tax (GST) collections hit the second highest ever in March 2023 to Rs. 1.6 lakh crore. For FY 2022–23, the government collected Rs 16.61 lakh crore in direct taxes, according to data from the Finance Ministry. This amount was 17.6% more than what was collected in the previous fiscal.

Per capita income almost doubled in nine years to Rs 172,000 during the year under review, a rise of 15.8% over the previous year. India's GDP per capita was 2,320 USD (March 2023), close to the magic figure of USD 2500 when consumption spikes across countries. Despite headline inflation, private consumption in India witnessed continued momentum and was estimated to have grown 7.3% in FY 2022-23.

Outlook: There are green shoots of economic revival, marked by an increase in rural growth during the last quarter and an appreciable decline in consumer price index inflation to less than 5% in April 2023. India is expected to grow around 6-6.5% (as per various sources) in FY2024, catalysed in no small measure by the government's 35% capital expenditure. The growth could also be driven by broad-based credit expansion, better capacity utilisation and improving trade deficit. Headline and core inflation could trend down. Private sector investments could revive. What provides optimism is that even as the global structural shifts are creating a wider berth for India's exports, the country is making its largest infrastructure investment. This unprecedented investment is expected to translate into a robust building block that, going ahead, moderates logistics costs, facilitates a quicker transfer of products and empowers the country to become increasingly competitive. This can benefit India's exports in general, benefiting several sectors. The construction of national highways in FY 2022-23 was 10,993 kilometers; the Ministry of Road Transport and Highways awarded highway contracts of 12,375 km in the last financial year.

The global landscape favours India: Europe is moving towards a probable recession, the US economy is slowing, China's GDP growth forecast of 4.4% is less than India's GDP growth of 7.2%; America and Europe are experiencing their highest inflation in 40 years.

India's production-linked incentive appears to catalyse the downstream sectors. Inflation is steady. India is at the cusp of making significant investments in various sectors and emerge as a suitable industrial supplement to China. India is poised to outpace Germany and Japan and emerge as the third-largest economy by the end of the decade. The outlook for private business investment remains positive despite an increase in interest rates. India is less exposed to Chinese economic weakness, with much less direct trade with China than many Asian peers.

Broad-based credit growth, improving capacity utilisation, government's thrust on capital spending and infrastructure should bolster investment activity. According to our surveys, manufacturing, services and infrastructure sector firms are optimistic about the business outlook. The downside risks are protracted geopolitical tensions, tightening global financial conditions and slowing external demand.

(Source: IMF data, RBI data, Union budget 2023-24 data, CRISIL report, Ministry of Trade & Commerce, NSO data)

Union Budget FY 2023-24 provisions

The Budget 2022-23 sought to lay the foundation for the future of the Indian economy by raising capital investment outlay by 33% to Rs. 10 lakh crores, equivalent to 3.3% of GDP and almost three times the 2019-20 outlay, through various projects like PM Gati-shakti, Inclusive Development, Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition and Climate Action, as well as Financing of Investments. An outlay of Rs. 5.94 lakh crore was made to the Ministry of Defence (13.18% of the total Budget outlay). An announcement of nearly Rs. 20,000 crores was made for the PM Gati-Shakti National Master Plan to catalyse the infrastructure sector. An outlay of Rs. 1.97 lakh crore was announced for Production Linked Incentive schemes across 13 sectors. The Indian government intends to accelerate road construction in FY24 by 16-21% to 12,000-12,500 km. The overall road construction project pipeline remains robust at 55,000 km across various execution stages. These realities indicate that a structural shift is underway that could strengthen India's positioning as a long-term provider of manufactured products and its emergence as a credible global supplier of goods and services

Global crude oil sector overview

The global crude oil market size was pegged at USD 2747.78 billion in 2022. The Russia-Ukraine war disrupted global economic recovery from the COVID-19 pandemic, resulting in economic sanctions, a surge in commodity prices, supply chain disruptions and inflation across goods and services. The demand for crude oil was estimated at 99.4 million barrels per day in 2022.

Crude oil prices increased in the first half of 2022 due to Russia's full-scale invasion of Ukraine. The combination of Russia's invasion of Ukraine with low global crude oil inventories lifted the crude oil price to the highest inflation-adjusted price since 2014. Crude oil prices generally decreased from June 8 till the remainder of 2022 as concerns about possible economic recession reduced demand.

Asia-Pacific emerged as the largest contributor to the growth of the global crude oil market in 2022. The Organization of Petroleum Exporting Countries (OPEC) and its partners like Russia reduced crude oil production by 100,000 barrels per day from October 2022. As of 2022, OPEC produces about 40 % of the world's crude oil and OPEC oil exports represent about 60 % of the total petroleum traded internationally. the growth in U.S. crude oil production is expected to reach record levels of 12.6 million barrels per day in 2023. (Source: Statista, Business Research Company, EIA).

Outlook

Global oil demand is expected to rise to a record 101.7 million barrels per day in 2023. The global crude oil market is expected to grow at a CAGR of 5.7% to USD 2904.09 billion in 2023 and USD 3481.5 billion in 2027, catalysed by a growing demand for fossil fuels especially in China and India following enhanced price stability. Global crude oil prices are expected to remain range-bound in 2023 but could increase towards the second half of 2023 as the effects of China's easing Covid restrictions percolate, coupled with India's consistent appetite for Russian crude. (Source: IEA)

Indian crude oil sector overview

The Indian oil and gas industry is placed among its eight core industries. India's economic growth is closely related to its energy demand as the need for oil and gas is expected to increase corresponding to increased GDP. India is the third largest consumer and importer of crude oil, accounting for 4.6% of the world's total consumption.

India's crude oil production stood at 28.2 million tons in FY 2022-23 which was lower compared to 29.3 million tons produced in FY 2021-22. The country's crude oil production declined due to aging fields where a natural production decline set in. Indian oil companies invested in technologies to maintain output and boost recovery. With demand returning, India consumed a total of 222.30 million tons of petroleum products in FY 2022-23, 10.2% higher year-on-year (YoY).

India's crude import bill expanded to USD 158 billion in FY 2022-23 from USD 121 billion in the previous year. The growth in crude oil imports was on account of a supply squeeze by a producers' cartel. According to OPEC, India's demand for oil products is expected to rise from 4.77 million barrels per day in FY 2022 to 5.14 million barrels per day in FY 2023.

(Source: Economic Times, IBEF)

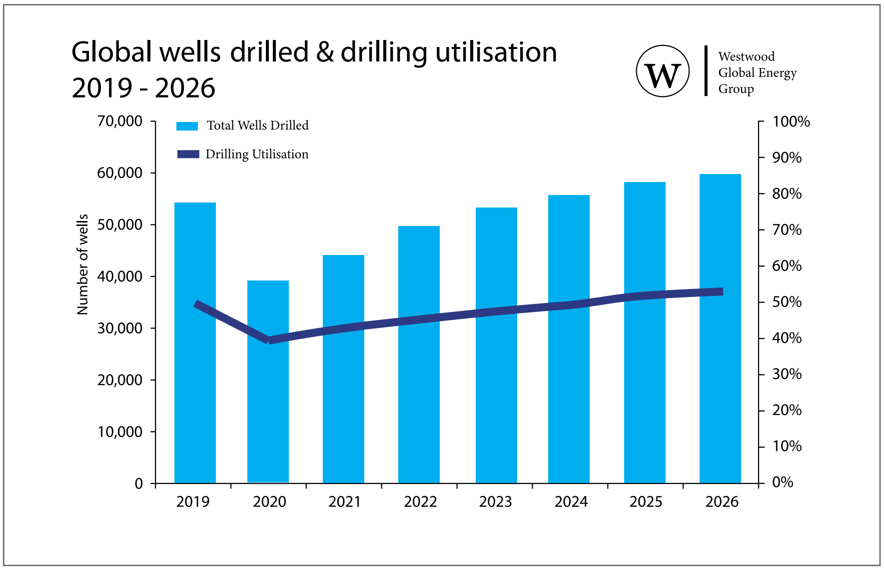
Outlook: Energy demand in India is anticipated to grow faster than all major economies globally on the back of robust economic growth. India's crude oil consumption is expected to grow at a CAGR of 5.14% to 500 million tons by 2040 from 222.30 million tons in FY 2023. India's oil consumption is expected to increase from 5.14 million barrels per day in FY 2023 to 7.2 million barrels per day in 2030. India aims to double its oil refining capacity to 450-500 million tons by 2030 (Source: IEA)

Global drilling and offshore rigs industry

The global offshore drilling rigs market is estimated to grow at a CAGR of 6.6% from USD 81.22 billion in 2022 to USD 127.72 billion in 2029. Growth in the number of exploratory wells coupled with improved viability of deep water and ultra-deep water due to technological innovation is expected to drive the global drilling and offshore rigs industry.

The Middle East remained the largest region in the offshore drilling rigs market in 2022. The Middle East and Africa are expected to be the fastest-growing regions between 2022 and 2029. According to RYSTAD Energy, offshore drilling activity was expected to increase year-on-year by 10% in both 2021 and 2022. This is expected to increase the number of offshore wells drilled to nearly 2,500 in 2021 and surpass 2,700 in 2022. The global deep-water and ultra-deep-water drilling market is expected to grow at a CAGR of 9% between 2023 and 2028 aided by the advancements in offshore pressure management technology and various government initiatives. This is expected to drive the growth of the global drilling and offshore rigs industry.

The floating rigs segment is expected to have lucrative growth between 2021 and 2028 due to rising shallow and deep-water explorations and an increase in the number of investments from operators, especially for deep and ultra-deep-water activities. It is among the most important segments of oil field production chain as it provides services and equipment to oil explorers, producers and facilitates the transportation of crude oil and natural gas. (Source: market-watch.com, globenewswire)



Global jack-up rig market

At a compounded annual growth rate(CAGR) of 5.24% during the forecast period of 2021-2026, the global jack-up rig market is expected to experience significant growth, estimated to reach USD 3.43 billion by 2026. Consumption of oil and gas is expected to remain stable due to rising industrialization in India and China. The APAC region is expected to account for roughly 40% of this growth. Global consumption of oil and gas energy has resulted in high demand for these products, driving up the market growth during the forecasted period. (Source: technavio.com)

Growth drivers

A traditional upcycle is taking shape: There is a noticeable traditional upswing occurring in the jack-up market. In recent quarters, there has been a consistent rise in the demand for jack-ups, leading to a marketed utilization rate of over 90% for premium jack-ups. Historically, such high utilization rates have given drilling contractors the ability to dictate pricing terms..

Overcoming the fragmentation challenge: The jack-up market has grappled with fragmented ownership and a dearth of pricing discipline for a considerable amount of time. This has been largely due to the fact that local contractors are fully engaged, resulting in a small number of global contractors having control over the bulk of available supply. However, there appears to be a favorable trend emerging in the industry that shows a distinct relationship between margins and utilisation.

Utilisation and day rates trending higher: The modern jack-up market is experiencing higher levels of activity, resulting in increased utilisation and day rates. Modern rigs are highly sought after and remain the preferred option for many contractors. Additionally, there is a noticeable spread in day rates between jobs secured by local contractors and international contractors, with leading-edge day rates for premium jack-ups ranging between USD 110,000 and 130,000 across most regions. Ongoing tenders have also tested even higher day rates highlighting the upward trend in pricing discipline in the industry.

Broad-based recovery: Although the Middle East was the primary focus of the market's recovery in 2022, positive trends are apparent in several other regions such as West Africa, Malaysia, India, Mexico and the North Sea.

National oil companies becoming more influential: Over the last two decades, the growing significance of national oil companies ("NOCs") has been a noteworthy trend in the jack-up market. In 2000, NOCs accounted for approximately 30% of total jack-up demand. However, this figure increased to around 75% in 2022, driven by a substantial rise in offshore production from NOC-dominated Middle Eastern countries, coupled with a significant decline in jack-up demand in the United States and the Gulf of Mexico.

Capitalizing on consolidated ownership: Ownership among international drilling contractors is highly consolidated in the jack-up market. This concentrated ownership allows for higher day rates supported by strong industry discipline. As activity in the market rises, international contractors can step in to meet demand at better day rates than those achieved by local suppliers. Meanwhile, international contractors can benefit from selling rigs to local contractors. (Source: DNB)

SWOT analysis

Strengths

- Large reserves of oil and natural gas.
- Established infrastructure for extraction, transportation and refining.
- Technological advancements in exploration and drilling techniques.
- Demand growth is expected to exceed supply growth in 2023
- OECD possesses a low level of spare stocks and capacity with a high replacement time. This sudden supply-demand disparity is expected to keep oil prices elevated.

Weaknesses

- Volatile market prices for oil and gas.
- Environmental impact and concerns over climate change.
- Reliance on government policies and regulations.
- Limited access to new reserves due to geographical constraints.
- Declining demand for fossil fuels in some regions

Opportunities

- Exploration and development of new oil and gas reserves.
- Growth potential in emerging markets.
- Expansion into downstream activities like petrochemicals.
- Reopening of the Chinese economy is expected to result in growing oil demand, absorbing all of OPEC+'s spare production capacity.

Threats

- Competition from alternative energy sources.
- Shift towards renewable energy and low-carbon economies.
- Increased government regulations and taxes on carbon emissions.
- Geopolitical tensions and conflicts affecting oil supply.
- Fluctuations in global oil demand and oversupply.
- Oil prices stabilised at a low level as leading oil companies resort to reduce spending and postpone development projects.
- Reduced appetite from national oil companies in the Middle East to increase offshore activity.

Our performance over the year

Financial performance

The Company generated revenues worth Rs. 3967.27 million in FY 2022-23 compared to the previous year's revenue of Rs. 10,694.69 million. At the close of FY 2022-23, the company's rigs were operating under a balanced mix of long-term and short-term contracts. The Company's EBITDA decreased from Rs. 1,125,37 million during FY 2021-22 to Rs. (359.72) million during FY 2022-23. The Company reported a net loss of Rs. 27,842.98 million in FY 2022-23 compared with a net loss of Rs. 26,897.27 million in FY 2021-22

Ratio	FY 2022-23		FY 2021-22	
	Standalone	Consolidated	Standalone	Consolidated
Debtors' turnover	0.25	1.07	0.25	1.25
Inventory turnover	0.05	0.57	0.03	0.36
Interest coverage	(2.04)	(0.16)	(0.53)	(1.03)
Current Ratio	0.27	0.03	0.63	0.04
Debt to equity	-ve	-ve	-ve	-ve
Operating profit margin %	(185.49)	(45.11)	(51.22)	(188.03)
Net profit margin %	(148.16)	(701.82)	(128.85)	(449.53)
Return on net worth	N/A	N/A	N/A	N/A

Reasons for the difference

Debtors' turnover, consolidated

Turnover in the last year decreased approximately 1.51 times and average debtors decreased by approximately Rs.1057.36 million during the financial year FY 2022-23

Interest coverage, standalone

Negative EBIT has increased 3.35 times due to the impairment of receivables increased by Rs. 584.79 million, decrease in revenues of Rs.53.60 million and increase in exchange difference by Rs.176.76 million.

Interest coverage, consolidated

Interest expense increased by approximately Rs.129.43 million and negative EBIT decreased by 6.3 times mainly due to a drop-in impairment of Property, Plant and Equipment by R.9965.13 million, Inventory written down by Rs.588.25 million and employee benefit expenses by Rs.549.72 million.

Current ratio, Consolidated

Current assets decreased by approximately Rs.1953.94 million due to trade receivables and inventory reduction. Current liabilities have increased by approximately 15,556.82 million in the current year compared to the last year due to one more year of interest accruals on all borrowings marginally offset by the repayment of borrowings.

Current ratio, Standalone

Current assets decreased approximately by Rs.1206.53 million due to reduction in trade receivables/impairment of trade receivables, reduction in inventory and a reduction in other financial assets due to regrouping of advance tax net of provision from current to non-current in the current year.

Operating profit margin, standalone

Negative EBIT decreased due to the impairment of receivables in the financial year 2022-22 decreasing by approximately Rs.584.79 million, decrease in revenue by Rs.53.60 million and increase in exchange difference by Rs.176.76 million.

Operating profit margin, consolidated

Negative EBIT decreased by 6.3 times due to a reduction in impairment of Plant, Property and Equipment, Inventory write down and employee benefit expenses.

Net profit margin, standalone

Net loss margin increased by 17.58 % approximately due to an increase in impairment of PPE by Rs.44.69 million and impairment of trade receivables by Rs.584.79 million decrease in revenue by Rs.53.60 million.

Net profit margin, consolidated

Net loss margin Increased by 1.56 times approximately due to drop in revenue from operations by 1.51 times for the group.

Inventory turnover, consolidated

Average inventory decreased by Rs.965.70 million due to an inventory write-down of approximately by Rs.81.94 million in the current year and Rs.670.19 million in the financial year 2021- 22

Inventory turnover, standalone

Average inventory decreased by Rs.230.77 million approximately

Risk management

Economic risk	Price volatility may have an effect on the business's profitability.	**Mitigation:** The Company protected its assets from short-term volatility through a majority of medium and long-term contracts.
Regulatory risk	A number of compliance concerns may have an effect on operations.	**Mitigation:** The Company developed and implemented stringent operating and safety requirements and adheres to the Quality, Health, Safety and Environment (QHSE) standards.
Competition risk	Increased competition may have an impact on the company's long-term prospects.	**Mitigation:** The Company enhanced competitiveness by utilising its depreciated assets and developing long-standing relationships with major international companies. The Company's diversified range of rigs helped them to meet the demands in various terrains.
Geographic risk	Increased focus on a particular region might hamper business performance.	**Mitigation:** The Company's offshore services are spread across India. We are constantly exploring opportunities in the Middle East and South East Asia to diversify the risk.
Technological risk	Using outdated technology might cause organisations to relocate to more competitive firms.	**Mitigation:** The Company undertook continuous technological advancements to comply with global standards.
Health and safety risk	Accidents, injuries or fatalities resulting from human error, inadequate safety protocols or equipment failures, may expose the company to legal liabilities, regulatory scrutiny and reputational damage.	**Mitigation:** The Company implemented robust safety policies, provided rigorous training, conducted proactive risk assessments, fostered a strong safety culture, maintained adequate safety equipment and regularly inspected to ensure compliance and prevent accidents.
Asset utilisation risk	The performance of the firm might be impacted due to fluctuating crude oil prices globally.	**Mitigation:** The Company ensured greater revenue visibility by deploying assets across long-term contracts.
Liquidity risk	High debt levels might create a liquidity crisis.	**Mitigation:** The Company is engaged in deliberations to settle the payment of dues with financial institutions and stakeholders.

Human resources

The Company views its committed and motivated workforce as its greatest asset. The Company offered competitive pay, a welcoming workplace and structured incentive and recognition programmes to recognise employee success. Every employee is encouraged to realise their potential at work, according to the company's goal. The Company promoted going above the call of duty, participating in volunteer learning opportunities and coming up with innovative workplace solutions. As of the 31 March, 2023, the company had a workforce of 465 employees.

Internal control systems and their adequacy

The corporate governance code of the organization's internal control and risk management system serves as the foundation for the system's design and implementation. It is an essential component of the company's and the Group's overall organisational structure and incorporates a variety of employees who work cooperatively to carry out their individual duties. The audit committee, which is under the direction of the Board of Directors, receives reports from the internal audit department. Periodically, the company's assets are examined and thereafter, reports are delivered to the Audit Committee. Together with overseeing and assisting other committees, the Audit Committee and Board of Directors provide strategic direction and oversight to the Executive Directors and senior management.

Cautionary statement

This statement made in this section describes the company's objectives, projections, expectation and estimations which may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised by the Company. The actual result could differ materially from those expressed in the statement or implied due to the influence of external factors which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent development

DIRECTORS' REPORT

The Directors of your company are pleased to present the Thirty Seventh Annual Report along with the accounts for the year ended 31st March, 2023..

1. Financial Results

(Rupees in Millions)

Particulars	Standalone		Consolidated	
	For the year ended			
	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022
Income from Operations	759.94	820.67	3,967.27	5,983.40
Other Income	149.02	114.79	452.84	149.52
Reversal of Impairment	-	-	890.47	-
Less: Expenditure	821.72	499.71	4,318.26	4,861.57
Profit before Interest and Depreciation	87.24	435.75	992.32	1,271.53
Less: Interest	691.51	793.28	11,095.77	10,966.34
Less: Depreciation/Impairment	1,340.23	744.89	1429.72	12,375.90
Profit/(Loss) for the year before Tax	(1,944.50)	(1,102.41)	11,533.17	(22,070.89)
Exceptional items (Profit/(Loss))	933.12	98.82	933.12	54.13
Profit/(Loss) before Tax	(1,011.38)	(1,003.59)	(10,600.05)	(21,529.76)
Share of Profit/(Loss) of Associates	-	-	(1.46)	(11.02)
Current Tax	-	-	167.42	176.18
Deferred Tax	115.01	53.82	115.01	53.82
Profit/(Loss) after Tax for the year from continuing operations	(1,126.39)	(1,057.02)	(10883.93)	(21,770.39)
Loss for the year from discontinued operations	(23.53)	(0.39)	(23.53)	(0.39)
Other comprehensive Income	-	-	(16935.51)	(5,126.49)
Profit/(Loss) for the year	(1149.92)	(1057.41)	(27,842.98)	(26,897.27)
Profit brought forward from the previous year	(29873.43)	(28819.63)	(207198.04)	(185,430.80)
Available for appropriation	(31,023.35)	(29,877.04)	(235,041.02)	(212,328.07)
Net gain/(loss) through OCI	-	-	(16,935.51)	(5,126.49)
Expected return on plan assets & net actuarial gain/ (Loss)	(7.57)	3.61	(8.73)	3.54
Transfer to Capital Redemption Reserve	-	-	-	-
Transfer to General Reserve	-	-	-	-
Balance Carried forward	**(31,030.92)**	**(29,873.43)**	**(218,114.23)**	**(207, 198.04)**

2. Performance

The Revenue earned during the year under review stood at Rs. 3967.27 Million. Company suffered loss this year too on account of impairment as well as reduction in turnover. Rigs under contract were working satisfactory.

3. Changes in Share Capital

There was no change in the Share Capital of the Company during the year under review. .

4. Subsidiary Companies

Indian

Aban Energies Limited

The Subsidiary Company activities relating to the maintenance of windmills of the Company has been satisfactory.

International

Rig under Contract was performing satisfactorily.

The subsidiary company accounts details are available in the Company's website.

During the year the Company has sold and delivered the following Rigs owned

(i) by the Company: Aban V, Aban VI and Drillship Aban Ice.

(ii) by the step-down Subsidiaries: Drillship Aban Abraham, Jack up Rigs DD5, DD4, DD6, DD7, DD8 and DD2.

5. Consolidation of Accounts

The consolidated financial statements of the Company are prepared in accordance with the provisions of Section 129 of the Act, 2013 read with the Companies (Accounts) Rules, 2014 and Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) along with a separate statement containing the salient features of the financial performance of subsidiaries/associates, in the prescribed form. The audited consolidated financial statements together with Auditor's Report forms part of the Annual Report.

6. Management's Discussion And Analysis

Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34 (2) (e) of SEBI (LODR) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

7. Dividend

In the view of losses suffered by the Company, the Board of Directors do not recommend any dividend.

8. Directors

Mr. C.P Gopalkrishnan is liable to retire by rotation and being eligible offers himself for re-appointment.

9. Disclosures under Companies Act, 2013:

Extract of Annual Return:

The Extract of the Annual Return is updated in the website of the Company under the following link http://abanoffshore.com/pdf/Form.pdf.

Number of Board Meetings:

The Board of Directors met 6 (Six) times in the year 2022-23. The details of the Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report.

Constitution of Committees:

The details of various committees formed and their attendance during the year are given in the Corporate Governance Report.

Role of Audit Committee

The Role of Audit Committee is given in the Corporate Governance Report.

10. Director's Responsibility Statement

Pursuant to the requirement under Section 134 (3) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

(i) in the preparation of the Annual Accounts for the financial year ended on 31st March 2023, the applicable accounting standards had been followed along with a proper explanation relating to material departures.

(ii) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates 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 and of the profit / loss of the Company for that period.

(iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(iv) the Directors had prepared the accounts for the financial year ended on 31st March 2023 on a going concern basis.

(v) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

(vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. Statement of Declaration by Independent Directors as required under 149(6) of the Companies Act, 2013

All the Independent Directors have given the declarations that they meet the criteria of Independence as laid down under Section 149 (6) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. In the opinion of the Board they fulfill the conditions of Independence as specified in the Act and Rules made there under and are independent of the management.

12. Explanation by the Board on every qualification, reservation or adverse remark or disclaimer made –

a) By the Auditor in his report on Standalone/ Consolidated Financial Statement –.

Standalone Accounts

Management comments on auditors' qualification

Since the banks have not issued confirmation of bank balances, deposits and term loans, the impact cannot be quantified. However, the management has considered appropriate accruals/provisions of interest on deposits and outstanding term loans and preference shares based on rates as per original agreements

Consolidated Accounts

Management comments on auditors' qualification

The disclaimer of opinion is on preparation of the financial statements, the Management has considered the operations of the Group and the Company as going concerns notwithstanding that the Group and the Company have incurred net loss, the Group and the Company defaulting on payment of borrowings that have become due for payment and breach of certain covenants of the borrowings that have given right to the lenders to demand the borrowings to be paid immediately. They have also expressed existence of material uncertainties on the going concern assumption. The Management believes that the use of the going concern assumption in the preparation of the financial statements for the financial year ended 31st March 2023 is still appropriate. The Management is in discussions with its lenders to obtain approval for and implementation of an appropriate debt resolution plan.

The basis of disclaimer in also on account of

- Incompleteness of bank confirmations relating to material bank loan balances and Bank accounts relating deposits and current accounts. The impact of this disclaimer cannot be ascertained
- Unable to ascertain recoverability of the carrying amounts of the investments the subsidiary corporations and amounts due from subsidiary corporations and ultimate holding corporation as at 31st March 2023

The Management has determined that there is no objective evidence or indication that the carrying amount of investments in subsidiary corporations may not be recoverable and accordingly no impairment is required. In respect of the amounts due from subsidiary corporations and the ultimate holding company the Management has determined that there is no significant increase in credit risk and no impairment is required.

The statutory auditors of the Parent Company have given qualified report due to non-receipt of confirmations of bank balances, outstanding term loans and Non-convertible Redeemable Preference Shares and the impact of this qualification cannot be quantified. However, the management has considered appropriate accruals/provisions of interest on deposits and outstanding term loans and preference shares based on rates as per original agreements

b) By the Practicing Company Secretary in his Secretarial Audit Report – Nil

13. Particulars of loans, guarantees or investments under section 186 of the Companies Act, 2013

Details of loans, guarantees and investments covered under the provision of Section 186 of the Companies Act, 2013 are given in Notes to the financial statements.

14. Particulars of Contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 in the prescribed form

All Related Party Transactions that were entered into during the financial year were on an arm's length basis and were in compliance with the applicable provisions of the Companies Act, 2013 and the listing Regulation. There were no materially significant Related Party Transactions made by the Company during the year that would have required the shareholder approval as required under the listing regulation.

All Related Party Transactions are placed before the Audit Committee for approval. Suitable disclosures as required under AS 18 have been made in the Notes to the Financial Statements. Form AOC-2 is shown in Annexure B

The Policies have been uploaded in the website, under the weblink: http://abanoffshore.com/pdf/RelatedPartyTransactionsPolicy.pdf

15. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

There were no material changes and commitments affecting the financial position of the Company between the end of financial year March 31, 2023 and the date of the Report

16. Statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company.

The Company's robust risk management framework identifies and evaluates business risks and opportunities. The Company recognizes that these risks need to be managed and mitigated to protect its shareholders and other stakeholders, to achieve its business objectives and enable sustainable growth. The risk framework is aimed at effectively mitigating the Company's various business and operational risks, through strategic actions. Risk management is embedded in our critical business activities, functions and processes. The risks are reviewed from the change in the nature and extent of the major risks identified since the last assessment. It also provides control measures for risks and future action plans.

The Company believes that the overall risk exposure of present and future risks remains within risk capacity.

17. Corporate social responsibility initiatives taken during the year

The Company has constituted CSR Committee in accordance with section 135 of the Companies Act, 2013. The CSR Committee has formulated and recommended to the Board, a CSR Policy indicating the activities to be undertaken by the Company, which has been approved by the Board. The average profit for the last three financial years of the Company is Negative. Hence the need to spend on CSR does not arise. The detailed report is given in a separate Annexure E in the Annual Report. The CSR Policy may be accessed on the Company's website at http://abanoffshore.com/pdf/CSR_Policy.pdf

18. Board Evaluation

Pursuant to the provisions of Section 134(3) (p) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the workings of its Committees. The evaluation by the Board of its own performance and that of its committees and individual directors were done as per the manner determined by the Chairman and Independent Directors and the same has been explained in Corporate Governance report.

19. The details of directors or key managerial personnel who were appointed or have resigned during the year.

Nil

20. The name of companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year -

Deep Drilling 1 Pte. Ltd. ("DD1PL"), Deep Drilling 2 Pte. Ltd. ("DD2PL"), Deep Drilling 3 Pte. Ltd. ("DD3PL"), Deep Drilling 4 Pte. Ltd. ("DD4PL"), Deep Drilling 5 Pte. Ltd. ("DD5PL"), Deep Drilling 7 Pte. Ltd. ("DD7PL"), Deep Drilling 8 Pte. Ltd. ("DD8PL") were amalgamated with Deep Drilling Invest Pte. Ltd. ("DDIPL"), another step-down subsidiary of the Company.

During the year there was a proposal to strike-off Aban 7 Pte. Ltd ("A7PL") and Aban Pearl Pte. Ltd. ("APPL") step-down subsidiaries of the Company. Accordingly APPL have been struck off from the register.

21. The details relating to deposits, covered under Chapter V of Companies Act, 2013

During the year under review, your Company did not accept any deposits within the meaning of provisions of Chapter V - Acceptance of Deposits by Companies of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

22. The details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

No significant and material orders were passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company.

23. The details in respect of adequacy of internal financial controls with reference to the Financial Statements.

Details of the same are provided in the Management Discussion and Analysis attached to this Report.

24. Internal financial control:

Your Company maintains appropriate systems of internal controls, including monitoring procedures, to ensure that all its assets are safeguarded against loss from unauthorized use/misuse or disposition. Company policies, guidelines and procedures provide for adequate checks and balances and are meant to ensure that all transactions are authorized, recorded and reported correctly. Your company through its own internal audit department carried out periodic audits at all locations and functions. The internal audit department reviews the efficiency and effectiveness of these systems and procedures. Added objectives including evaluating the reliability of financial and operational information and ensuring compliances with applicable laws and regulations. The observations arising out of the audit are periodically reviewed and compliance ensured. Appropriate controls are in place to ensure: (a) the orderly and efficient conduct of business, including adherence to Company policies, (b) safeguarding of its assets, (c) prevention and detection of frauds and errors, (d) the accuracy and completeness of the accounting records and (e) timely preparation of reliable financial information

25. Stock Exchanges

Your Company's Equity shares are listed in BSE Limited and National Stock Exchange of India Ltd.

Preference Shares aggregating to Rs. 2,610 million issued by the Company which were listed in BSE Limited are under suspension since the preference shares were not redeemed on due dates owing to severe cash flow strain.

Necessary stock exchange regulations are complied with. Applicable listing fees for the year 2023-24 have already been paid to the stock exchanges.

26. Compliance of Secretarial Standards

The Company has complied with the applicable Secretarial Standards issued by Institute of Company Secretaries of India.

27. Vigil Mechanism / Whistle Blower Policy

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and Employees to report about unethical behavior or violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee.

Your Company hereby affirms that no Director/ employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

The whistle blower policy has been hosted in the Company's website under the weblink: http://abanoffshore.com/pdf/whistleblowerpolicy.pdf..

28. Disclosure under the Sexual Harassment of women at workplace (Prevention, prohibition and Redressal) Act, 2013.

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of women at workplace (Prevention, prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

No complaints were received during the year 2022-23 nor were any pending unresolved complaints as on 31st March, 2023.

29. Auditors

M/s. Ford Rhodes Parks & Co. LLP, Chartered Accountants, Chennai Statutory Auditors continue to hold office till the conclusion of 41st AGM.

30. Additional Disclosures

In line with the requirements of Accounting Standards Rules 2006 of the Institute of Chartered Accountants of India, your Company has made additional disclosures in respect of the financial reporting of interests in joint venture in the notes on accounts.

31. Maintenance of Cost Records & Requirement of Cost Audit

Maintenance of the cost records and requirement of cost audit as prescribed under the provisions of section 148(1) of the Companies act, 2013 are not applicable to the business activities carried out by the Company.

32. Particulars of Employees

In accordance with proviso to Section 136(1) of the Companies Act, 2013, the Directors' Report is being sent to all shareholders excluding the statement prescribed under Rule 5(1), 5(2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The said statement is available for inspection by the Members at the registered office of the Company during office hours till the date of the Annual General Meeting.

33. The particulars prescribed under Section 134 (3) (m) of the Companies Act, 2013 read with Rule (3) (A) (B) & (C) of the Companies (Accounts) Rules, 2014, -

(A) Conservation of Energy

The Company has undertaken several initiatives in this area for the past few years to reduce the carbon foot prints.

- Alternate low energy consumption options were identified to optimize energy.
- This involved distillation plants being replaced by low energy desalination plants. Invertor type AC systems and Five star rated ACs are installed instead of conventional AC system.
- Water maker from sea water is used on our assets with improved water parameter.
- Energy efficient motors/Ventillators/Fans are being used when replacement is required.
- Low energy consuming LED systems are procured as replacements to CFL/Tube lights.
- Health Checkup and preventive maintenance system of all rotating equipments on our assets are regularly followed.

(B) Technology Absorption

- Vibration and noise, Tortional vibration analysis being implemented to predict early warnings for equipment failures.
- Maintenance of coating to prevent corrosion and renewal of steel is practiced in all the fleets and regular inspection is conducted to implement this.
- Engineering analysis of steel structure to enhance the life of assets is regularly carried out.
- Solar connected grid is utilised and when possible.
- Started using Hybrid electrical vehicles which will replace the usage of conventional vehicle in future.

Foreign exchange earnings and outgo

(Rupees in Millions)

	2022- 23	2021-22
Foreign exchange earned during the year	759.95	854.01
Foreign exchange outflow during the year	329.80	322.23

34. Corporate Governance

A detailed note on the Company's philosophy on Corporate Governance and such other disclosures as required under the listing regulations is separately annexed herewith and forms part of this report.

35. i) Compliance Certificate

A Certificate from the Auditors of the company has been attached to this report which testifies that the requirements of a sound Corporate Governance process as stipulated under Schedule V of the SEBI(Listing Obligations & Disclosure Requirements) Regulations,2015 with the stock exchanges, was met.

ii) Secretarial Compliance Report

Pursuant to Regulation 24(A) of SEBI Listing Regulations, the Company has obtained annual secretarial compliance report from the Secretarial Auditor M/s. G.Ramachandran & Associates LLP, Chennai and the same will be submitted to the Stock Exchanges within the prescribed time. The Secretarial Compliance Report does not contain any qualification.

36. Acknowledgements

Your Directors wish to place on record their sincere appreciation for the contribution made by the employees at all levels. The Directors also record their sincere appreciation of the support and co-operation received from the Bankers, Financial Institutions, Investors, relevant Central and State Governments Ministries, Valued Clients and Members of the Company.

Cautionary Statement

Statement in the Management Discussion and Analysis describing the Company's objective's estimates expectation of projection may be Forward Looking Statement within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include Government Regulations, Taw Laws, economic developments in India and in the countries in which the Company conducts business, litigations and other allied factors.

For and on behalf of the Board

Reji Abraham
Managing Director

P. Murari
Chairman

Place :Chennai
Date : May 24, 2023

ANNEXURE TO THE REPORT OF THE DIRECTORS

Statement as at 31st March 2023 pursuant to clause 12 (Disclosure in the Directors' Report) of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999.

Employee Stock Options - 2005

		2005	2006	2008	2009	2014	Total
a)	(i) No of options granted	96200	47000	1,25,000	1,75,000	14,00,000	18,43,200
b)	Pricing Formula	Options were granted at the closing market price of the Equity Shares of the Company on the Stock Exchange where high volume of shares were traded on the day preceding the date of grant of options					
c)	Exercise Price	431.60	1288.25 & 1211.50	3622.85	649.75	416.55	
d)	Total No. of Options vested	18,43,200					
e)	Total No. of Options exercise	160,330					
f)	Total No of equity shares arising as a result of exercise of options	160,330 Equity shares of Rs.2/- Per share fully paid					
g)	Total No. of Options Lapsed	11,39,720					
h)	Variation of terms of Options	None					
i)	Money raised by exercise of options	INR 6,42,39,694.50					
j)	Total No of options in force	5,43,150					
k)	Details of Options granted to Senior managerial personnel	No options were granted during the year 2022-23					
l)	Any other employee who received grant in any one year of options amounting to 5% or more of the options granted during the year	No					
m)	Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant)	None					
n)	Diluted Earnings per Share (EPS) pursuant to issue of Equity Share on exercise of options calculated in accordance with the Indian accounting standard (IAS 33) Earnings per share	INR (19.31)					
o)	Method of calculation of employee compensation cost	The employee compensation cost has been calculated using the intrinsic value method of accounting to account for the options issued under the Aban Employee Stock Option Scheme. The Stock based Compensation cost as per the intrinsic value method for the financial year 2022-23 is NIL.					
	Difference between the employee compensation cost so computed at (i) above and the employee compensation cost that shall have been recognized if it had used the fair value of the options	NIL					
	The impact of this difference on profits and on EPS of the Company	Not Applicable					
p)	Weighted average exercise prices and weighted average fair values of options granted for options whose exercise price either equals or exceeds or is less than the market price of the stock	Weighted average exercise price - INR 678.90 Weighted average fair value – INR 188.17					
q)	A description of the method and significant assumptions used during the year to estimate the fair values of Options	The fair value of each option is estimated using the Black Scholes Option pricing model after applying the key assumptions i) risk free interest rate – 8.115% ii) Expected Life – 3 years iii) Expected volatility – 54.57% iv) Expected dividends – INR 3.60 per share v) The price of the underlying Share in the market at the Time of option grant INR 411.40					

Disclosure pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) & (ii) The ratio of the remuneration of each Director to the median and mean remuneration of the employees of the company for the financial year and the percentage in increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Sl No	Name of the Director/KMP	Ratio to Median Remuneration(times)	Ratio to Mean Remuneration(times)	% increase in remuneration in the financial year
1	Reji Abraham	-	-	-
2	P. Venkateswaran*	0.15	0.11	(10.20)
3	C.P. Gopalkrishnan	-	-	-
4	P. Murari *	0.14	0.11	(31.67)
5	K. Bharathan*	0.17	0.13	(16.67)
6	Ashok Kumar Rout*	0.14	0.11	(29.31)
7	Subhasini Chandran*	0.04	0.03	(70.00)
8	Deepa Reji Abraham*	0.07	0.05	(42.86)
9	S.N. Balaji	2.46	1.88	(3.22)

* Denotes non executive directors and the remuneration is sitting fees only.

(iii) The median remuneration for the year 2022-23 is - Rs 1.47 million.

(iv) The percentage increase/(decrease) in the median remuneration of employees in the financial year is (9.46)

(v) The number of permanent employees on the rolls of the Company - 39.

vi) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: NIL

vii) The Company affirms that remuneration is as per the remuneration policy of the Company.

Annexure A
Remuneration Policy

I. Appointment

(a) Criteria for Determining Qualifications, Positive Attributes & Independence of Director:

An Independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the Company's business.

(b) Positive attributes of Independent Directors:

An Independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity, act objectively and constructively, exercise his responsibilities in a bona-fide manner in the interest of the company, devote sufficient time and attention to his professional obligations for informed and balances decision making, and assist the company in implementing the best corporate governance practices.

(c) Independence of Independent Directors:

An Independent director should meet the requirements of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 concerning independence of directors

Board Diversity:

The Company recognizes the benefits of having a diverse Board to enhance the quality of its performance. Accordingly our Board of Directors over the last two decades have come from banking and Insurance industry, Chartered Accountants, engineering, Finance and legal professionals and retired civil servant.

II. Remuneration Policy for Directors, Key Managerial Personnel and other employees

Non-Executive Directors:

Non-Executive Directors shall be paid a sitting fee of Rs.25,000/- for every meeting of the Board and Rs.10,000/- for committee thereof attended by them.

Managing Director & Key Managerial Personnel & Other Employees

The objective of the policy is directed towards having a compensation structure that will reward and retain talent.

The remuneration to Managing Director shall take into account the Company's overall performance, his contribution for the same and trends in the industry in general, in a manner which will ensure and support a high performance culture.

Remuneration to Directors, Key Managerial Personnel and Senior Management will involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The above criteria and policy are subject to review by the Nomination & Remuneration committee & the Board of Directors of the Company.

Annexure B

FORM NO. AOC-2

Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and
Rule 8 (2) of the Companies (Accounts) Rules, 2014.

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis - NIL

2. Details of material contracts or arrangements or transactions at arm's length basis:

   Amount in Rs.

Name of the Party	Relationship	Nature of Transaction	Duration of Transaction	Terms of the Contract	Value of the Transaction	Date of approval by the Board	Amount paid as advances, if any
Nil							

For and on behalf of the Board of Directors

Place :Chennai- 600 008
Date : May 24, 2023

Reji Abraham
Managing Director

P.Murari
Chairman

Annexure C

Criteria for evaluation of the Board and non-Independent Directors at a separate meeting of Independent Directors:

1. **Composition of the Board and availability of multi-disciplinary skills**

   Whether the Board comprises of Directors with necessary qualifications and experience in various fields to make Aban Offshore Ltd a versatile institution.

2. **Existence of integrated Risk Management System**

   Whether the Company has an integrated risk management system to cover the business risks.

3. **Commitment to good Corporate Governance Practices**

   Whether the company practices high ethical and moral standards and is fair and transparent in all its dealing with the stake holders.

4. **Track record of financial performance**

   Whether the Company has been having a satisfactory financial performance and is transparent in all its disclosures on financial data.

5. **Adherence to Regulatory Compliance**

   Whether the Company adheres to the various Government regulations, both State and Central in time.

6. **Grievance redressal mechanism**

   Whether proper systems are in place to attend to the complaints/grievances from the shareholders, customers, employees and others quickly, fairly and efficiently.

7. **Use of Information Technology**

   Whether the Company has an Integrated IT strategy and whether there is any system for periodical technology upgradation.

8. **Commitment to CSR**

   Whether the Company is committed to social causes and CSR and whether there are systems to identify, finance and monitor such activities.

Criteria for evaluation of Chairman at the meeting of Independent Directors:

1. Ability to lead/ guide the Company
2. Dynamism
3. Standard of Integrity
4. Understanding of Macro and Micro economic trends and its impact on the Company
5. Public Relations
6. Future Vision.

Criteria for evaluation of Independent Directors by the entire Board:

1. Qualifications & Experience
2. Standard of Integrity
3. Attendance in Board Meetings/AGM/Committee Meetings
4. Understanding of Company's business
5. Participation/Value addition in Board Meetings.

Criteria for evaluation of the Audit Committee by the Board:

1. Knowledge on finance
2. Analyzer/ review of financial performance
3. Qualification & Experience of members
4. Oversight of Audit & inspection
5. Monitor/Review of regulatory compliance
6. Fraud monitoring

Annexure D

Declaration by the Managing Director under Listing Regulations regarding compliance with Business Conduct Guidelines (Code of Conduct).

In accordance with the Listing Regulations, I hereby confirm that, all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as applicable to them, for the Financial Year ended on 31st March 2023.

Aban Offshore Limited

Place: Chennai- 600 008
Date : May 24, 2023

Reji Abraham
Managing Director

Annexure E
Corporate Social Responsibility

1. **A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

   Pursuant to Section135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 your company at the Board meeting held on July 31, 2014 approved a Policy on CSR and the Policy was hosted on the website of the Company under the following link: http://abanoffshore.com/pdf/CSR_Policy.pdf.

2. **Composition of the CSR Committee**

S.No	Name	Category
1.	Ashok Kumar Rout	Chairman
2.	C.P.Gopalkrishnan	Member
3.	Deepa Reji Abraham	Member
4.	Subhashini Chandran	Member

3. **Average net profit of the Company for last three financial years:** Rs.(590.56) Million
4. **Prescribed CSR Expenditure (two percent of the amount as in item above):** NIL
5. **Details of CSR spent for the financial year.**
   a. Total amount to be spent for the financial year: NIL
   b. Amount unspent if any: NIL
   c. Manner in which the amount spent during the financial year is detailed below

1	2	3	4	5	6	7	8
Sr. No.	**CSR Project or activity identified**	**Sector in which the Project is covered**	**Projects or Programmes (1) Local area or other (2) Specify the State and district where projects or programs was undertaken**	**Amount outlay (budget) project or programme wise (INR)**	**Amount spent on the Projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads (INR)**	**Cumulative expenditure up to the reporting period (INR)**	**Amount spent: Director or through implementing agency**
Nil							

6. **Reason for not spending:**
   The average Net profit of the Company for the last three financial years are Negative. Hence the need to spend on CSR does not arise.

7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.**
   We hereby state that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Place: Chennai- 600 008
Date : May 24, 2023

Ashok Kumar Rout
Chairman
CSR Committee

CORPORATE GOVERNANCE REPORT

ABAN'S OFFSHORE'S PHILOSOPHY ON CODE OF GOVERNANCE

At Aban Offshore Ltd (Aban) your directors are committed to practice sound governance principles and believe that good governance is an ongoing process for two reasons: to protect stakeholders' interest and to ensure that no stakeholder benefits at the expense of others and the Board of Directors remain committed towards this end.

The Company's corporate governance philosophy revolves around transparency and accountability in all its interactions with the Government, shareholders and employees.

The following paragraphs contain the Company's report on its Corporate Governance practices in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

I BOARD OF DIRECTORS

(A) COMPOSITION OF BOARD

Aban's Board comprises of Eight Directors - One Promoter Executive Director, One Promoter Non - Executive Director, One Non Promoter Non-Executive Director, One Non-Promoter Executive Director and Four Independent Directors. The Board functioned directly or through various focused committees (Audit Committee, Nomination and Remuneration Committee, Stakeholders Grievance Committee, Compensation Committee). The Board and its committees met at regular intervals. The Board is vested with functions related to goal-setting, performance evaluation and control.

The Company's Board met Six (6) times during the year 2022 -23 on the following dates:

26.05.2022, 03.08.2022, 26.09.2022, 09.11.2022, 24.11.2022 and 03.02.2023

ATTENDANCE OF DIRECTORS

The names of the Directors on the Board, their attendance at the meetings and the other Directorships that they held as on 31st March, 2023 are set out below:

Name of Director(s)	Category Of Directorship	Financial year 2022-2023 Attendance at		As on 31st March 2023				
				No. of Other Directorships #			Committee Positions in other Companies*	
		Board Meetings	Last AGM	Public Ltd. Cos.	Name of the Listed Company	Private Ltd. Cos.	Member	Chair–Person
P. Murari	Non- Executive- Independent	5	YES	-		1	--	--
Reji Abraham	Executive – Promoter	6	YES	-		-	--	--
K. Bharathan	Non-Executive Independent	6	YES	1	Ponni Sugars (Erode) Ltd	--	--	--
Ashok Kumar Rout	Non-Executive Independent	5	YES	--		--	--	--
P. Venkateswaran	Non-Executive Non Independent	6	YES	3		5	--	--
C.P. Gopalkrishnan	Executive Non Promoter	6	YES	1		2	--	--
Deepa Reji Abraham	Non-Executive Promoter	4	YES	2		6	--	--
Subhashini Chandran	Non-Executive Independent	2	YES	--		-	--	--

Excludes directorships in Associations, foreign companies and Companies registered under Section 8 of the Companies Act, 2013.

* Represents Memberships / Chairmanships in Audit Committee and Stakeholders Relationship Committee

Mrs. Deepa Reji Abraham, Non-Executive Director is the spouse of Mr. Reji Abraham. She holds 40,38,500 equity shares of the Company.
Mr. P.Venkateswaran, Non-Executive Director is holding 20805 shares.
Mr K Bharathan, Independent Director holds 5000 shares of the Company

The Director who will retire by rotation and offer himself for reappointment is Mr. C.P.Gopalkrishnan.

Name of Director	**C.P.Gopalkrishnan**
Date of Birth	09.03.1956
Nationality	Indian
Date of Appointment on Board	01.08.2001
Qualifications	B.Com (Hons), ACA,ACS,LLB
Shareholding in the Company	43,200
Experience	He has more than 4 decades of experience in the field of Finance and Administration
Directorships held in other Companies	Tyford Tea Ltd Aban Informatics Private Limited Asiaville Interactive Pvt Ltd

REMUNERATION TO DIRECTORS (Amount in Rupees)

Name of the Director (s)	Consolidated Salary	Perquisites and other benefits	Commission	Sitting Fees	Total
P Murari	-	-	-	2,05,000	2,05,000
K Bharathan	-	-	-	2,50,000	2,50,000
Reji Abraham	-	-	-	-	-
Ashok Kumar Rout	-	-	-	2,05,000	2,05,000
P Venkateswaran	-	-	-	2,20,000	2,20,000
C P Gopalkrishnan	-	-	-	-	-
Deepa Reji Abraham	-	-	-	1,00,000	1,00,000
Subhashini Chandran	-	-	-	60,000	60,000
Total	-	-	-	**10,40,000**	**10,40,000**

REMUNERATION TO NON-EXECUTIVE DIRECTORS

No remuneration, other than sitting (Rs.25,000/- for Board Meeting and Rs.10,000/- for committee Meeting) and other expenses (travelling, boarding and lodging incurred for attending the Board/ Committee meetings) were paid to the non-executive Directors in 2022-23.

Code of Conduct

The Board has laid down a code of conduct for all Board Members and senior management of the Company. The code of conduct is hosted on the website of the Company, www.abanoffshore.com

All Board members and senior management personnel have affirmed the compliance with the code of conduct. A declaration signed by the Managing Director to this effect is enclosed at the end of this report.

II. COMPETENCE MATRIX

The following are the list of core skills/expertise/competencies identified by the Board of Directors as available with the Directors

a. Leadership Skills
b. Management Skills
c. Decision Making
d. Problem Solving
e. Relationship Building
f. Planning & Strategy
g. Communication Skills

The expertise/skills/competencies identified by the Board and available with the Directors are detailed below::

Category	Expertise	Skills/Competencies
Independent Directors 1. Mr.P.Murari 2. Mr.K.Bharathan 3. Mr.Ashok Kumar Rout 4. Ms.Subhashini Chandran	• In-depth industry Knowledge • Business Policies • Financial Management • Law • Corporate Governance • Capital Markets	Entrepreneurial Governance Finance Legal
Non-Executive Non-Independent Director 1. Mrs. Deepa Reji Abraham 2. Mr.P.Venkateswaran	• In-depth industry Knowledge • General Administration • Corporate Governance • Human Resources Management	• General Administration • Human Resources Management
Executive Directors 1. Mr.Reji Abraham 2. Mr.C.P.Gopalkrishnan	• In-depth industry Knowledge • Management • Leadership • Technical and Operational • Financial Management • Law • Corporate Governance	• Governance • Technical • Financial • Leadership • Human Resource Management • Legal

III. MEETING OF INDEPENDENT DIRECTORS:

An exclusive meeting of the Independent Directors was held on 3rd February, 2023 during the year. At the meeting the Independent Directors.

a) Reviewed the performance of Non-Independent Directors and the Board as a Whole.

b) Reviewed the performance of the Chairman of the Company taking into account the views of Executive Directors and Non-executive Directors.

c) Assessed the quality and timeliness flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors were familiarized with their roles, responsibilities in the company , nature of industry in which the company operates etc. through familiarization programmes. The details of the program attended by the Independent Directors is disclosed in the website of the company at the following location http://www.abanoffshore.com/pdf/FamilProgID2223.pdf.

V. COMMITTEES OF THE BOARD

A. AUDIT COMMITTEE

Terms of Reference

The Audit Committee's Power and responsibilities include the following functions:

- Overseeing of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditor and the fixation of audit fees and approval of payment to statutory auditors for any other services rendered by them.
- Reviewing with the management, the annual financial statements before submission to the Board for approval, focusing primarily on:

  a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of section 134 (3)(C) of the Companies Act, 2013.

  b) any changes in accounting policies and practices

c) Major accounting entries based on exercise of judgment by management

d) qualifications in draft audit report

e) significant adjustments made in the financial statements arising out of audit findings

f) The going concern assumption

g) Compliance with accounting standards

h) Compliance with Stock Exchange and legal requirements concerning financial statements

i) Disclosure of any related party transactions i.e., Transactions of material nature with their subsidiaries, promoters, directors, management or their relatives etc., that may have potential conflict with the interests of company at large. Its scope also included a review with management performance of statutory and internal auditors, adequacy of internal controls, the adequate structure and staffing of the internal audit function, reporting structure coverage and frequency of internal audit

j) Discussion with internal auditors on significant findings and follow up there of

k) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board

l) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any areas of concern

m) Investigating the reasons behind substantial default in the event of non-payments to shareholders (in case of non-payment of declared dividends) and creditors.

Reviewing with the Management the annual financial statements of the Indian Subsidiary Company

Six (6) Meetings of Audit Committee were held during the year ended 31st March 2023 on the following dates:

26.05.2022, 03.08.2022, 26.09.2022, 09.11.2022, 24.11.2022 and 03.02.2023.

Mr. S.N. Balaji, Deputy General Manager (Legal) & Secretary is the Secretary of the Committee.

Composition and Attendance

Name	Category	No. of Meeting Attended
P. Murari	Chairman	5
K. Bharathan	Member	6
P.Venkateswaran	Member	6
Ashok Kumar Rout	Member	5

Executives of Accounts Department, the Statutory and Internal Auditors were invited to attend the Audit Committee Meetings

The Chairman of the Audit committee was present at the last Annual General Meeting

Fees Paid to Statutory Auditors for financial year 2022-23

S.No	Particulars	Total Fees paid (in lakhs)
1	M/s. P Murali & Co, Chartered Accountants Services for the first quarter.	3,50,000
2	M/s. Ford Rhodes Parks & Co, LLP Chartered Accountants Services from the second quarter	37,00,000

B. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee monitored and redressed shareholder complaints relating to share transfer, non-receipt of Annual Report and divid end.

The Committee met on 03.02.2023

Composition and Attendance

Name	Category	No. of Meeting Attended
K. Bharathan	Chairman	1
P. Venkateswaran	Member	1
C.P. Gopalkrishnan	Member	1

The Company received Six Complaints during the year from shareholders of which all were answered and resolved, hence no complaints were pending at the end of the year.

Name and Designation of Compliance Officer: Mr. S.N.Balaji, Deputy General Manager (Legal) & Secretary.

C. COMPENSATION COMMITTEE

The Compensation Committee was constituted in the year 2005 with the following powers :

a) Identification of Classes of employees entitled to participate in the Employee Stock Option Scheme (ESOS) and the quantum of option to be granted under ESOS per employee and in aggregate.

b) Conditions under which option vested in employees shall lapse.

c) The exercise period within which the employee should exercise the option granted   and the conditions where the granted options will lapse on failure to exercise the option within the exercise period.

d) Specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee, the right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period.

e) The procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and other.

f) Grant, vest and exercise of option in case of employee who are on long leave.

g) Framing suitable policies and systems to ensure that there is no violation of Securities and Exchange Board of India (Insider Trading) Regulations,1992 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations 1995, by any employee

h) Monitoring and from time to time altering ESOS 2005.

The details of options under the Employee Stock Option 2005 (ESOS 2005) are given below:

Maximum number of options that may be granted under the scheme is 1.843 million equity shares of INR 2/- each. Options granted during the year – Nil (upto 31st March 2022: 1.843 million equity shares of INR 2/- each). Options lapsed during the year – 1.1397 million equity shares of INR 2/- each (upto 31st March 2022: 1.1138 million equity shares of INR 2/- each). Options exercised during the year: Nil (upto 31st March 2022: 0.160 million equity shares of INR 2/- each). Options outstanding at the end of the year: 0.543 million equity shares of INR 2/- each (upto 31st March 2022: 0.569 million equity shares of INR 2/- each). Options yet to be granted under the scheme: Nil equity shares of INR 2/- each (31st March 2022: Nil million equity shares of INR 2/- each).

(No meeting was held during the year).

D. NOMINATION & REMUNERATION COMMITTEE:

In accordance with the requirement of Companies Act, 2013 and the listing (obligations & Disclosures) Regulations, the Committee has (I) formulated criteria for evaluation of the Board and non- independent directors for the purpose of review of their performance at a separate meeting of the Independent Directors and (ii) recommended a policy relating to remuneration of the directors, key managerial personnel and other employees which, inter alia includes the basis for identification of persons who are qualified to become directors.

The remuneration policy and the criteria for evaluation of directors as recommended by the Committee and approved by the Board are attached to this report as Annexure.

Composition and Attendance

Name	Category	No. of Meeting Attended
K.Bharathan	Chairman	2
P.Murari	Member	2
Ashok Kumar Rout	Member	2

The Committee had two meetings - 26-05-2022 and 03-02-2023

Board evaluation was made in the meeting held on 03-02-2023

E. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Terms of reference:

The Company has constituted a Corporate Social Responsibility (CSR) Committee as required under Section 135 of the Companies Act, 2013 in February 2014 with the following terms of reference.

(a) Formulate and recommend to the Board, a CSR Policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.

(b) Recommend the amount to be spent on the CSR activities.

(c) Monitor the Company's CSR policy periodically.

(d) Attend to such other matters and functions as may be prescribed from time to time.

Accordingly the Board has adopted the CSR Policy as formulated and recommended by the Committee. The same is hosted on the website of the Company.

Composition and Attendance

Name	Category
Ashok Kumar Rout	Chairman
C.P.Gopalkrishnan	Member
Deepa Reji Abraham	Member
Subhashini Chandran	Member

The average profit of the Company for the last three financial years as calculated under section 198 of the Companies Act, 2013 is negative, Hence no meeting was held during the year.

F. Risk Management Committee

The Company is not required to constitute Risk Management Committee since the requirement is applicable only to top 1000 listed companies in terms of Market Capitalisation.

The Company does not come under the High value debt listed entity

V. Subsidiary Company

The Indian subsidiary of the Company do not come under the purview of the material non-listed subsidiary.

VI. General Body Meetings

The details of the date and location of the last three Annual General Meetings Meeting / Extra ordinary General Meeting/ Postal Ballot are given below:

Annual General Meeting	Day and Date	Time	Venue	No. of Special Resolutions Passed
36th Annual General Meeting	Monday, 26.09.2022	10.15 A.M	Through Video Conference/ Other Audio Visual Means	One
35th Annual General Meeting	Monday, 20.09.2021	10.15 A.M	Through Video Conference/ Other Audio Visual Means	One

34th Annual General Meeting	Monday, 21.09.2020	10.15 A.M	The Music Academy, Kasturi Srinivasan Hall (Mini Hall), New No.168, T.T.K. Road, Royapettah, Chennai 600 014	-
Extra-Ordinary General Meeting	Monday, 31.01.2022	10.15 A.M	Through Video Conference/ Other Audio Visual Means	One
Postal Ballot	Friday, 01.07.2022	-	-	One
Postal Ballot	Monday, 24.04.2022	-	-	Five

Postal Ballot – 01.07.2022

Procedure for Postal ballot

Pursuant to the provisions of Section 110 of the Act read with Rule 22 of Companies (Management and Administration) Rules, 2014 (Management Rules), as amended, the Company had issued Postal Ballot Notice dated 23rdMarch, 2022 to the Members, seeking their consent for sale of Rig Deep Driller 7 owned by step down subsidiary. In compliance with provisions of Section 108 and Section 110 and other applicable provisions, of the Act read with the Management Rules, the Company had provided remote e-voting facility to all the Members of the Company. The Company engaged the services of National Securities Depository Limited ("NSDL") for facilitating e-voting to enable the Members to cast their votes electronically. The Board of Directors had appointed Mr. G.Ramachandran (FCS 9687, COP 3056), Practising Company Secretary, to act as the Scrutiniser for Postal Ballot process.

The voting period commenced on Wednesday, 1st June, 2022 at 9.00 a.m. (IST) and ended on Thursday, 30th June, 2022 at 5.00 p.m. (IST). The cut-off date, for the purpose of determining the number of Members was Friday, 27th May, 2022. The Scrutiniser, after the completion of scrutiny, submitted his report to the Chairperson to accept, acknowledge and countersign the Scrutiniser's Report as well as declare the voting results in accordance with the provisions of the Act, the Rules framed thereunder and the Secretarial Standard - 2 issued by the Institute of Company Secretaries of India.

The consolidated results of the voting by Postal Ballot and e-voting were announced on 1st July, 2022. The results were also displayed on the website of the Company at www.abanoffshore.com and on the website of NSDL and also communicated to BSE Limited (BSE), National Stock Exchange of India Limited (NSE).

The Voting pattern are as follows:

S.No.	Particulars of Resolution	% Votes in Favour	% Votes against
1	Sale of Rig Deep Driller 7 owned by Step Down Subsidiary Deep Drilling 7 Pte Ltd	99.91	0.09

VII. RELATED PARTY DISCLOSURE

There has been no materially significant related party transaction (transactions of a material nature) with the Company's Subsidiaries, associate company, promoters, management, Directors or their relatives etc. having a potential conflict with the interest of the Company at large. Please refer Balance Sheet Notes to Accounts for details of related party transactions. The Company's policies on Material Subsidiaries and Related Party Transactions are available on the website under the weblink: http://www.abanoffshore.com/pdf/PolicyMaterial_subsidiaries.pdf and http://abanoffshore.com/RelatedPartyTransactionsPolicy.pdf

Details of Non-compliance

No penalties, strictures were imposed on the Company by Stock Exchanges in India or SEBI or any statutory authority on any matter related to the Capital Market during the last 3 years.

VIII Means of Communication

A timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good governance. Towards this end Quarterly un-audited financial results were published in Business Standard (English) and Makkal Kural (Vernacular language). The results were also displayed on the company's web site, www.abanoffshore.com

Management Discussion and Analysis forms Part of the Annual Report.

IX GENERAL INFORMATION FOR SHAREHOLDERS

Financial Calendar

Financial Year	1st April 2022 to 31st March 2023
Board meeting for considering the accounts	24-05-2023
Thirty Seventh Annual General Meeting	25th September, 2023 at 10.15 A.M. through Video Conference/ Other Audio Visual Means (OAVM)

Listing on Stock Exchanges

a. Equity shares of the Company are listed on the following Stock Exchanges

BSE Limited
Phiroze Jeejeebhoy Towers
25th Floor, P.J. Towers
Dalal Street, Fort
Mumbai – 400 001

National Stock Exchange of India Limited
Exchange Plaza
5th Floor, Plot No :: C/1 G Block,
Bandra – Kurla Complex Bandra (E)
Mumbai 400 051

The listing fees for the Financial Year 2023-24 were paid to the Stock Exchanges in India where the Company's Equity shares are listed.

STOCK CODES:
EQUITY SHARES:

BSE Limited
Scrip code : 523204

National Stock Exchange of India Limited
Symbol : ABAN
ISIN No. for Dematerialized shares
INE421A01028

The Non-Convertible Cumulative Redeemable Preference Shares were listed on the BSE Limited are under suspension.

700099 – 10,50,00,000 - 10% p.a. Non-Convertible Cumulative Redeemable Preference Shares

700129 – 5,50,00,000 - 10% p.a. Non-convertible Cumulative Redeemable Preference Shares

700130 – 4,00,00,000 – 10% p.a. Non-convertible Cumulative Redeemable Preference Shares

700131 – 6,10,00,000 – 10% p.a. Non-convertible Cumulative Redeemable Preference Shares

ISIN No. of 10,50,00,000 10% p.a. Non-convertible Cumulative Redeemable Preference Share INE 421A04097

ISIN No of 5,50,00,000 - 10% p.a. Non-Convertible Cumulative Redeemable Preference shares INE421A04071

ISIN No of 4,00,00,000 - 10% p.a. Non-Convertible Cumulative Redeemable Preference shares INE421A04063

ISIN No of 2,00,00,000 - 10% p.a. Non-Convertible Cumulative Redeemable Preference shares INE421A04055

ISIN No of 6,10,00,000 - 10% p.a. Non-Convertible Cumulative Redeemable Preference shares INE421A04089

Details of outstanding shares in unclaimed suspense account

UNCLAIMED SHARE CERTIFICATES

In terms of 39(4) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, all the shares issued in physical form pursuant to a public issue or any other issue, which remain unclaimed have been transferred into one folio in the name of Unclaimed Suspense Account and dematerialized. The voting rights of these shares shall remain frozen till the rightful owner of such shares claims the shares. The details regarding the shares which are in the unclaimed suspense account are given below :

S. No	Description	Total No of cases	Total shares
1	No. of shareholders and Outstanding shares lying in the unclaimed suspense at beginning of the year	66	26035
2	No. of shareholders who approached for transfer of shares from Unclaimed suspense account during the year.	4	1300
3	No. of shareholders to whom Shares were transferred from the unclaimed suspense account during the year.	3	800
4	No. of shareholders and Outstanding shares lying in the unclaimed suspense account at the end of the year.	63	25235

Details of Shares transferred to IEPF Authority*

In terms of Section 124 of the Act, 2013 the dividend declared by the Company for earlier years which remain unclaimed for a period of seven years have to be transferred on due dates to the Investor Education and Protection Fund (IEPF) established by the Central Government.

In pursuance to the said rules 73,343 shares unclaimed for the year 2014-15 were transferred to IEPF as on 30-12-2022

Care Rating

Credit Analysis & Research Ltd (CARE) has reaffirmed ratings of Cumulative Redeemable Preference Shares at 'CARE D (RPS)' [Single D].

INVESTOR'S HELP DESK

Company's Registered Office Address	Registrar and Share Transfer Agent (Both Physical and Electronic Mode)
Aban Offshore Limited Janpriya Crest, 113 Pantheon Road Chennai – 600 008 Phone: 91-44-49060606 Fax: 91-44-2819 5527 Email Id: secretarial@aban.com	**M/s Cameo Corporate Services Ltd.,** Unit: Aban Offshore Ltd. Subramanian Buildings, 1Club House Road, Chennai -600 002. Phone: 91-44-28460390 Fax: 91-44-28460129 Email ID: investor@cameoindia.com / sofia@cameoindia.com

Investors' complaints are to be addressed to the Registrar and Share Transfer Agents.

Liquidity

The Company's Equity Shares are actively traded in National Stock Exchange of India Ltd and BSE Limited. The Company's Non-convertible Cumulative Redeemable Preference Shares are listed in the BSE Limited and are under suspension.

Dematerialisation of shares

99.63 % of Equity shares of the Company have been dematerialized as at 31st March, 2023. The company has entered into agreement with both National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL) whereby shareholders have an option to dematerialize their shares with either of the depositories.

Plant Locations

RIG LOCATIONS as at 31 March, 2023

S.No	RIGS	LOCATION
1.	Aban II	East Coast of India
2.	Aban III	West Coast of India
3.	Aban IV	West Coast of India
4.	Tahara	East Coast of India - Off Contract

Whistleblower Policy/Vigil Mechanism

The Company adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior. The mechanism provides for adequate safeguards against victimization of employees. Further no person has been denied access to the chairman of the Audit Committee. The policy is available in the website under the http://abanoffshore.com/pdf/whistleblowerpolicy.pdf

Categories of shareholders as on 31st March 2023

Category	Number of folios	Number of shares	%
Promoter(s)	2	11280910	19.33
Promoter Group	3	7236500	12.40
Collaborators	1	8328750	14.27
FIIs, NRIs/OCB	1326	1096610	1.88
Mutual Funds, FIs, Banks	2	1002000	1.72
Bodies Corporate	413	573176	0.98
Public	109668	28847377	49.42
Total	**111415**	**58365323**	**100.00**

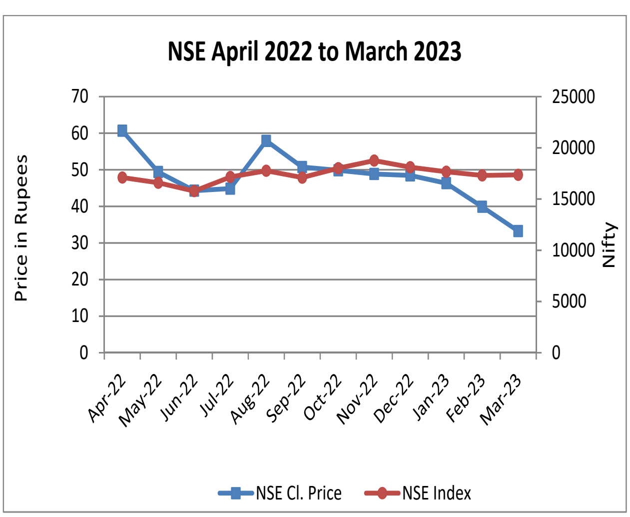
Share Price Volume

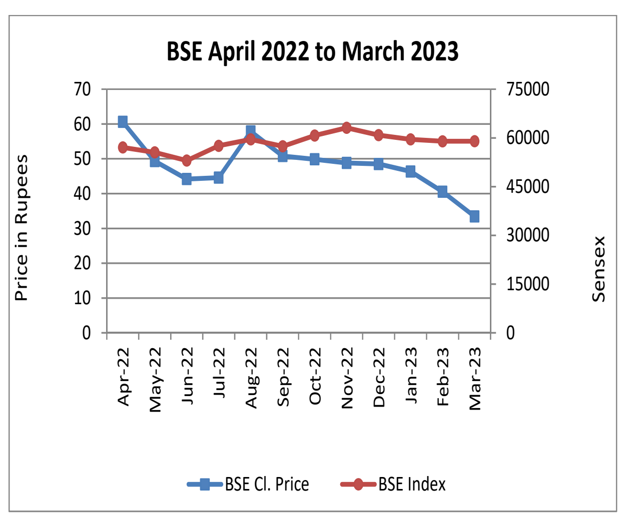
The monthly high and low quotation and the volume of shares traded on BSE & NSE are as under:

Month	NSE			BSE		
	High	Low	Volume	High	Low	Volume
April 2022	72.30	45.90	21036895	72.25	46.10	1095239
May 2022	60.90	45.00	4592283	60.75	45.00	381399
June 2022	61.35	36.00	8741443	61.40	36.15	479537
July 2022	47.00	42.40	2017257	47.00	41.70	170763
August 2022	64.20	44.05	12456351	64.10	44.05	733756
September 2022	62.70	49.15	7703800	62.80	49.00	477439
October 2022	54.90	49.05	2391971	54.85	49.50	161894
November 2022	52.60	45.30	2798596	52.50	46.10	200126
December 2022	56.60	44.50	7122430	56.60	44.10	483593
January 2023	50.30	44.95	2753184	50.30	45.00	227672
February 2023	47.75	37.95	2203707	48.45	38.00	203251
March 2023	42.40	31.40	2259681	42.11	31.15	207645

Graphical Representation of Performance of Aban Offshore Limited's Share Price (average of closing price of BSE and NSE) in comparison with BSE Sensex.

Month	BSE Cl. Price	BSE Index	NSE Cl. Price	NSE Index
April 2022	60.60	57060.87	60.65	17102.55
May 2022	49.35	55566.41	49.40	16584.55
June 2022	44.20	53018.94	44.30	15780.25
July 2022	44.60	57570.25	44.85	17158.25
August 2022	57.85	59537.07	57.90	17759.30
September 2022	50.80	57426.92	50.75	17094.35
October 2022	49.85	60746.59	49.85	18012.20
November 2022	48.80	63099.65	48.85	18758.35
December 2022	48.50	60840.74	48.45	18105.30
January 2023	46.35	59549.90	46.35	17662.15
February 2023	40.55	58962.12	39.90	17303.95
March 2023	33.45	58991.52	33.25	17359.75





Distribution of shareholdings as on 31st March 2023

Category (Shares)	Folio		Shares	
	Numbers	%	Numbers	%
2-5000	109825	98.57	18911085	32.40
5001-10000	1011	0.90	3664487	6.27
10001-20000	385	0.34	2773914	4.75
20001-30000	84	0.07	1036305	1.77
30001-40000	34	0.03	612028	1.04
40001-50000	12	0.01	268984	0.46
50001-100000	38	0.03	1367435	2.34
100001 and above	26	0.02	29731085	50.93
Total	**111415**	**100.00**	**58365323**	**100.00**

ANNEXURE F

Auditor's Certificate on compliance of Corporate Governance

To
The Members
Aban Offshore Limited
Janpriya Crest ,113, Pantheon Road
Egmore, Chennai – 600 008.

We have examined the compliance of conditions of Corporate Governance by Aban Offshore Limited, for the year ended on 31st March 2023, as stipulated in the Regulation 4(2) read with Chapter IV and Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to review of procedures and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of Corporate Governance as prescribed in the above mentioned Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representation made by the Management of the Company, we certify that the Company has complied with conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We 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 Ford Rhodes Parks & Co. LLP
Chartered Accountants
ICAI Registration No: 102860W / W100089

Place: Chennai
Date: May 24, 2023
ICAI UDIN: 23016059BGYZHQ9553

Ramaswamy Subramanian
Partner
Membership No: 016059

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
M/s. Aban Offshore Limited
CIN: L01119TN1986PLC013473
'Janpriya Crest' 96,
Pantheon Road, Egmore,
Chennai 600008

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Aban Offshore Limited having CIN: L01119TN1986PLC013473 and having registered office at 'Janpriya Crest' 96, Pantheon Road, Egmore, Chennai TN 600008 (hereinafter referred to as 'the Company'), produced before us 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 our opinion and to the best of our 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 us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial Year ending on 31st March, 2023, 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 other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Reji Abraham	00210557	09/02/1994
2	Mr. Chakkungal Pathayapura Gopalkrishnan	00379618	01/08/2001
3	Ms. Deepa Reji Abraham	00212451	19/09/2014
4	Mr. Parasuraman Iyer Venkateswaran	00379595	01/08/2001
5	Mr. Murari Pejavar	00020437	18/09/1996
6	Mr. Krishnamurthy Bharathan	00210433	26/12/2003
7	Mr. Ashok Kumar Rout	00002605	01/11/2012
8	Ms. Subhashini	00075592	19/09/2014

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. 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 M/s. G Ramachandran & Associates
Company Secretaries

G RAMACHANDRAN
Proprietor
M.No.: F9687, COP: 3056

Place: Chennai
Date: 24th May, 2023
UDIN: F009687E000347354

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
M/s. Aban Offshore Limited
CIN: L01119TN1986PLC013473
'Janpriya Crest', 96, Pantheon Road,
Egmore, Chennai – 600008

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Aban Offshore Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information, explanations and clarifications provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Aban Offshore Limited for the financial year ended on 31st March, 2023 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Customs Act, 1962;

(iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(v) The Merchant Shipping Act, 1958

(vi) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(vii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

  (d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

  (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR')

  (f) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; and

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above..

We report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, 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.

Adequate notice is given to all directors before schedule of the Board/Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Notes on agenda which are circulated less than the specified period, the necessary compliances under the Act and Secretarial Standards on Board meeting are complied with.

All decisions in the Board meetings are approved by Directors unanimously and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has:

1. Two Preference Shareholders filed commercial suits before the Honorable High Court of Judicature at Bombay for non-redemption of Non- Convertible Cumulative Redeemable Preference Shares on due dates. The cases are pending before the said Honorable High Court.
2. Two of the Preference Shareholders filed petitions under section 55 of the Companies Act, 2013/under section 80 of the Companies Act, 1956 before the Honorable National Company Law Tribunal (“NCLT”), Chennai Bench for non-redemption of Non-Convertible Cumulative Redeemable Preference Shares. These two cases were dismissed by the said Tribunal. One of the preference shareholders preferred an appeal against the order of NCLT, Chennai Bench before the Honorable National Company Law Appellate Tribunal (“NCLAT”), New Delhi. NCLAT, New Delhi vide its order No. Company Appeal (AT) No.35 of 2019 dated 29th January, 2020 set aside the order and remitted back to NCLT, Chennai to decide the Petition. The outcome of the case is awaited.
3. The Company has transferred 73,343 unclaimed equity shares of Rs.2/- each, pertaining to the Financial Year 2014-15, to the Investor Education and Protection Fund on 30th December, 2022.
4. Pursuant to provisions of section 180(1)(a) of Companies Act, 2013, and provisions of Regulation 24 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, The Company obtained the consent of its shareholders by way of special resolution for sale of an asset of stepdown subsidiary of the Company through Postal Ballot Notice dated 26th May, 2022 and the same was approved on 1st July, 2022.
5. The Company has obtained the consent of the shareholders by way of Special Resolution at the Annual General Meeting held on 20th September, 2021 for re-appointment of Mr. C.P.Gopalkrishnan as Deputy Managing Director of the Company for a period of 5 years from 1st August, 2021 to 31st July, 2026. The Company has filed an application with Central Government on 22nd October, 2021 seeking approval for re-appointment of Managerial Personnel under clause (e) of Part I of Schedule V of the Companies Act, 2013. The approval is awaited.
6. The Company has received a Notice dated 8th July, 2021 under section 13 (12) of the SARFAESI Act, 2002 read with rule 8(1) of Security Interest (Enforcement) Rules, 2002 from Punjab National Bank, Chennai for possession of Company’s assets for recovery of loan borrowed by the Company. Punjab National Bank has taken possession of the land.
7. The Board of Directors at their meeting held on 24th November 2022 accorded their approval for amalgamation of its Seven overseas step-down subsidiaries ie., Deep Drilling 1 PTE Ltd to Deep Drilling 5 PTE Ltd and Deep Drilling 7 PTE Ltd and Deep Drilling 8 PTE Ltd with Deep Drilling Invest PTE Ltd. The Asst Registrar of Companies & Business Names, Accounting and Corporate Regulatory Authority, Singapore granted the approval and issued the Certificate of Confirmation of Amalgamation on 01st December 2022 vide its receipt no: ACRA221202199709 dated 02nd December 2022.
8. The Board of Directors of the Company at their meeting held on 24th November 2022 accorded their approval for striking off its overseas step-down subsidiaries viz Aban 7 PTE Ltd and Aban Pearl PTE Ltd. The Striking of Aban Pearl PTE Ltd was with effect from 08th May 2023 as notified in Republic of Singapore Government Gazette.
9. Pursuant to section 245 of the Companies Act 2013, one of the preference shareholders filed a class action suit against the Company for Non-redemption of preference shares before National Company Law Tribunal Principal Bench New Delhi and the same is pending.
10. Pursuant to the provisions of sections 196,197,203 and other applicable rules of the Companies Act 2013 read with Schedule V. The Board of Directors at their meeting held on 26th May 2022 reappointed Mr. Reji Abraham as the

Managing Director of the Company for a period of 5 years from 26th September 2022 to 25th September 2027. His appointment was also approved by the shareholders at their Annual General Meeting held on 26th September 2022.

11. The Company entered into onetime settlement with the financial creditor consequently an application filed under section 7 of Insolvency and Bankruptcy Code by the said financial creditor stands withdrawn.

For M/s. G Ramachandran & Associates
Company Secretaries

G. RAMACHANDRAN
Proprietor
M.No.: F9687 CoP. No.3056

Place: Chennai
Date: 24th May, 2023
UDIN: F009687E000347288

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

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ANNEXURE-A SECRETARIAL AUDIT REPORT OF EVEN DATE

To,

The Members,
M/s. Aban Offshore Limited
CIN L01119TN1986PLC013473
'Janpriya Crest', 96, Pantheon Road,
Egmore, Chennai – 600008

1. Maintenance of Secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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 basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the 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. Our examination was limited to the verification of procedures on test 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 M/s. G Ramachandran & Associates
Company Secretaries

G. RAMACHANDRAN
Proprietor
M.No.: F9687 CoP. No.3056

Place: Chennai
Date: 24th May, 2023
UDIN: F009687E000347288

INDEPENDENT AUDITOR'S REPORT

To the Members of

ABAN OFFSHORE LIMITED

Report on the Ind AS Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of M/s Aban Offshore Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") 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, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss including total comprehensive income showing a net negative balance, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

Non-receipt of confirmation of bank account balances including loan accounts as stated below:

Bank Balances including Deposits INR 16.28 million

Term Loans including Non-Convertible Redeemable Preference Shares INR 6,737.19 million

In view of the non-confirmation of bank and loan balances, we are not in a position to ascertain and comment on the correctness of the above mentioned outstanding balances and the resultant impact of the same on the standalone financial statements of the Company.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the standalone financial statements.

Material Uncertainty Related to Going Concern

We draw attention to Note - 33 to the accompanying standalone financial statements - the Company has incurred a net loss of INR 1,149.92 million for the year ended 31 March 2023 and, as of that date Company's accumulated loss amounts to INR 31,030.92 million on account of which the net worth is eroded and also, current liabilities exceeded current assets by INR 11,497.47 million as at 31 March 2023. The company has defaulted in repayment of loan installments, payment of interest on term loans, and redemption of non-convertible redeemable preference shares. These conditions indicate that material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. However, the management believes that the use of the going concern assumption on the preparation of the standalone financial statements of the Company is still appropriate in view of its continuing discussions with its lenders to obtain approval for and implementation of an appropriate debt resolution plan and will continue to be in operation in the foreseeable future.

Our opinion is not modified in respect of this matter.

Emphasis of Matters

We draw attention to Note 26 – 'Contingent Liabilities' of the standalone financial statements which, disclose the amounts not paid under disputes with various Government Authorities amounting to INR 16858.18 million and are awaiting adjudication as at 31.03.2023 as mentioned in detail under point no VII (b) in 'Annexure A' of our report.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of the most significant 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. In addition to the matters described in the 'Material Uncertainty in relation to the Going Concern' Section, we have determined the matters described below to be the key audit matters to be communicated in our report

Key Audit Matter	How our audit addressed the key audit matter
Contingent Liabilities relating to statutory dues There are material tax/duty claims against the company which are under various stages of disputes, involving significant judgment to determine the possible outcome of these disputes. Refer Note 26 of the standalone financial statements	We have obtained details of key claims against the company, completed tax assessments, demands, and tax/duty positions. We reviewed the status of disputes, read and analyzed selected key correspondences including appeal papers and assessment orders and representation taken from the management, discussed with appropriate senior management officials, and evaluated the management's underlying key assumptions. We reviewed management's estimate of the possible outcome of the disputed cases in evaluating management's position on these uncertain claims and tax positions and reviewed the appropriate disclosures in the financials.
Deferred Tax Assets The Company has carried deferred tax assets recognised in earlier years which are based on the likelihood of future taxable income available for set off. The recognition of deferred tax assets involves judgment regarding the likelihood of realization of these assets, in particular whether there will be sufficient taxable profits in future periods that support the recognition of these assets. Given the degree of judgment involved in considering these deferred tax assets as recoverable or otherwise, we consider this to be a key audit matter.	Our procedures include obtaining an understanding of the process and the controls over the preparation of forecasts by the Management with respect to the recoverability of deferred taxes on unabsorbed depreciation and carried forward losses. We reviewed the inputs and assumptions used in the forecast. Evaluated disclosures for deferred tax asset balance including those related to significant accounting estimates and judgments in the standalone financial statements.
Disposal of Non-Current Asset held for Sale During the year the Company disposed off non-current assets held for sale (2 jack up rigs and a drill ship) and utilized the sale proceeds to pay the dues to the bankers. Given the size and importance of the disposal of assets held for sale, we consider this to be a key audit matter. Refer Note 3(b) of the standalone financial statements.	We have reviewed the sale agreements and related board approvals. We have verified the sale proceeds utilization. Reviewed the disclosure of information relating to this in the standalone financial statements.

Suits against the Company - Contingent Liabilities The Company's disclosures relating to a civil suit filed against the Company have been identified as a key audit matter due to the quantum and complexity of claims. Refer Note 26 of the standalone financial statements.	Obtained the Company's legal cases summary and critically assessed management's position through discussions with the legal head and Company management, on both the probability of success in significant cases and the magnitude of any potential loss.
Bareboat Income Accounting The accounting for bareboat contracts with customers under Ind AS 116 'Leases' is dependent on the specific arrangements between the Company and its clients as agreed upon in the contracts. The guidance provided by Ind AS 116 however, is mainly from a lessee perspective and provides less guidance from a lessor perspective, which is the majority of the company's income. We considered this area to be a key audit matter given the magnitude of the amounts involved.	Our procedures included obtaining an understanding of and evaluating the Company's process and control over revenue recognition. A specific emphasis was set on verifying that revenue transactions at the end of the financial year and at the beginning of the new financial year have been recognized in the proper accounting period by comparing revenues close to the balance sheet date with the respective contractual terms. We assessed the Company's disclosure relating to revenue recognition and Ind AS 116.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Directors Report and Corporate Governance Report but does not include the standalone financial statements, consolidated 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 and 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.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is 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 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 skepticism 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 an 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 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

IX. Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 Act, we give in the Annexure ("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 and proper returns adequate for the purposes of our audit have been received from the foreign branch not visited by us.

(c) The report on the accounts of the foreign branch office of the Company, audited by a person duly qualified to act as an auditor of the accounts of the branch office in accordance with the laws of that country, as per Section 143 (8) of the Act, has been provided to us and the same has been considered in preparing this report.

(d) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement, and the Statement of Changes in Equity dealt with in this Report are in agreement with the books of account.

(e) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

(f) On the basis of the written representations received from the directors as on 31st March 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) With respect to the adequacy of the internal financial controls over the financial reporting of the Company with reference to this standalone Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, during the year under audit the Company has not paid any remuneration to its directors.

(i) 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, as detailed in note 26 to the standalone Financial Statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2023.

   ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses as at 31 March 2023.

   iii. There were no amounts that are required to be transferred, to the Investor Education and Protection Fund by the Company as at 31st March 2023.

   iv. (a) The Management 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 Company 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, 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 Beneficiary") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The Management 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 received by the Company from any persons or entities, including foreign entities ("Funding Parties"), 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 Funding Party ("Ultimate Beneficiary") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (c) Based on the audit procedures which are considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations made by the

Management under sub-clause (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31 March 2023.

vi. As per the Ministry of Corporate Affairs (MCA) notification G.S.R. 235 (E) dated 31.03.2022, the opinion on the accounting software audit trail is not applicable for the year under audit.

For Ford Rhodes Parks & Co. LLP
Chartered Accountants
ICAI Registration No: 102860W / W100089

Ramaswamy Subramanian
Partner
Membership No: 016059
ICAI UDIN: 23016059BGYZHL8331

Place: Chennai
Date: May 24, 2023

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 of our report of even date under the caption "Report on Other Legal and Regulatory requirements")

1 a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company has no intangible asset, hence the provision of clause 3 (i) (a) (B) of the Order, relating to the maintenance of proper records, is not applicable to the Company.

(b) As explained to us, the Company has a regular programme of physical verification of the property, plant and equipment in a phased periodic manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies have come to notice on such physical verification.

(c) According to the information and explanation given to us and on the basis of examination of documents provided to us, the title deeds of immovable properties are held in the name of the Company, except that the original property documents, of the lands which are under mortgage with a bank and is under the possession of the Banker under SARFAESI Act, is not available for our verification and the same is verified through copy of the original documents and possession notice from the Banker.

(d) The company has not revalued its property, plant, and equipment during the year.

(e) As per the information provided to us, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Transactions Act, 1988 (as amended) and the rules made thereunder.

(ii) (a) As explained to us, the inventory has been physically verified by the Management at reasonable intervals. The coverage and procedure of verification, in our opinion, are appropriate. As per the information provided to us, no discrepancies were noticed on verification between the physical stocks and the books records that were 10% or more in aggregate for each class of inventory.

(b) During the year the Company has not taken any working capital loan, hence the provision of clause 3 (ii) (b) of the Order relating to the reconciliation of inventory statements filed with banks with respect to working capital limits secured on current assets, are not applicable to the Company.

(iii) During the year the Company has made no investments in, provided no guarantee or security to, granted no loans or advances in the nature of loans, secured or unsecured to, companies, firms, limited liability partnerships, or any other entities. Hence the provisions of clause 3 (iii) (a) to (f) of the Order, relating to disclosure of overdue loans, terms of repayment etc., are not applicable to the Company.

(iv) During the year the Company has made no investments, granted no loans or advances, and provided no security or guarantee. The Company had invested in companies, granted loans, and provided guarantees in earlier years. Based on the information and explanations given to us we are of the opinion that the Company has complied with the provisions of Sections 185 and 186 of the Act, in applicable cases, with respect to the said transactions.

(v) The Company has not accepted any deposits during the year from the public within the meaning of the provisions of Section 73 of the Act and hence directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed there under are not applicable to the Company at present.

(vi) The Central Government has not prescribed maintenance of Cost Records under sub-section (1) of Section 148 of the Act in respect of the business of the Company and hence the provision of clause 3 (vi) of the Order, relating to maintenance of cost accounts and records, is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, in our opinion, the Company, in general, is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance fund, income tax, sales tax, service tax, duty of customs, value added tax, goods and services taxes, cess and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the above are in arrears as at 31st March, 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the following are the dues of Income Tax, service tax, duty of customs, goods and services taxes, value added tax which have not been deposited with appropriate authorities on account of dispute:

Name of the Statute	Nature of the Dues	Amount (in INR Million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act 1961	Income Tax	628.25	2002-2006	Honorable High Court of Madras
Income Tax Act 1961	Income Tax	719.68	2006-2008	Honorable High Court of Madras
Income Tax Act 1961	Income Tax	447.72	2008-2009	Honorable High Court of Madras
Income Tax Act 1961	Income Tax	884.02	2009-2010	Honorable High Court of Madras
Income Tax Act 1961	Income Tax	702.40	2009-2010	Commissioner of Income Tax
Income Tax Act 1961	Income Tax	2465.24	2010-2011	Honorable High Court of Madras
Income Tax Act 1961	Income Tax	298.88	2010-2011	Income Tax Appellate Tribunal, Chennai
Income Tax Act 1961	Income Tax	854.33	2011-2012	Honorable High Court of Madras
Income Tax Act 1961	Income Tax	2571.59	2012-2014	Income Tax Appellate Tribunal, Chennai
Income Tax Act 1961	Income Tax	29.64	2013-2014	Commissioner of Income Tax (Appeals)
Income Tax Act 1961	Income Tax	309.57	2014-2015	Income Tax Appellate Tribunal, Chennai
Income Tax Act 1961	Income Tax	2.59	2014-2015	Commissioner of Income Tax (Appeals)
Income Tax Act 1961	Income Tax	541.92	2015-16	Commissioner of Income Tax
Income Tax Act 1961	Income Tax	42.10	2016-17	Income Tax Appellate Tribunal, Chennai
Income Tax Act 1961	Income Tax	1.20	2018-19	Commissioner of Income Tax, Chennai

Name of the Statute	Nature of the Dues	Amount (in INR Million)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	78.73	2006-2011	CESTAT, Chennai
Finance Act, 1994	Service Tax	18.94	2011-2012	CESTAT, Chennai
Finance Act, 1994	Service Tax	46.76	2006-2007	Honorable Supreme Court
Finance Act, 1994	Service Tax	36.78	2012-2014	CESTAT, Chennai
Finance Act, 1994	Service Tax	79.80	2014-2015	CESTAT, Chennai
Finance Act, 1994	Service Tax	37.31	2005-2011	CESTAT, Chennai
Finance Act, 1994	Service Tax	236.49	2012-2014	CESTAT, Chennai
Finance Act, 1994	Service Tax	0.60	2015-2016	CESTAT, Chennai
Finance Act, 1994	Service Tax	223.02	2015-2017	CESTAT, Chennai
Finance Act, 1994	Service Tax	605.75	2008-2010	Honorable Supreme Court
Finance Act, 1994	Service Tax	166.89	2009-2012	CESTAT, Mumbai
Finance Act, 1994	Service Tax	6.31	2013-2015	CESTAT, Mumbai
Finance Act, 1994	Service Tax	49.96	2017-2018	CESTAT, Chennai
Goods & Services Tax Act, 2017	Goods and Services Taxes	13.92	2017-2018	Appellate Authority
Customs Act 1962	Customs Duty	107.90	2015-2016	CESTAT, Mumbai
Maharashtra Value Added Tax	Value Added Tax	984.91	2010-2011	Tribunal
Maharashtra Value Added Tax	Value Added Tax	459.75	2012-2013	Tribunal
Maharashtra Value Added Tax	Value Added Tax	587.29	2013-2014	Appellate Authority
Maharashtra Value Added Tax	Value Added Tax	667.03	2014-2015	Honorable High Court Bombay
Maharashtra Value Added Tax	Value Added Tax	949.23	2015-2016	Honorable High Court Bombay
Maharashtra Value Added Tax	Value Added Tax	846.00	2016-2017	Honorable High Court Bombay
Maharashtra Value Added Tax	Value Added Tax	155.68	2017-2018	Honorable High Court Bombay
Total		**16858.18**		

Amount paid under protest against the above demands	in INR Million
Customs Duty	95.26
Sales Tax	58.85
Service Tax	113.53
Total amount paid under protest	**267.64**

(viii) According to the information and explanations provided to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 which have not been previously recorded as income in the books of accounts.

(ix) (a) Based on our audit procedures and according to the information and explanations given to us, we have noted defaults in repayment of term loan installments and payment of interest to banks during the year by the Company. The unpaid overdue installments and interest as of 31st March 2023 are as given below:

Nature of Borrowing	Lender	Amount not paid on the due date (in INR Million)	Nature of Overdue amount	Period * the overdue amounts are unpaid
Foreign Currency Term Loan	Punjab National Bank	3735.27	Principal	5 years 8 months
Foreign Currency Term Loan	Punjab National Bank	1,834.66	Interest	5 years 8 months
Medium Term Loan	Indus Ind Bank	191.92	Principal	5 years 8 months
Medium Term Loan	Indus Ind Bank	52.55	Interest	5 years 8 months
Non-Convertible Redeemable Preference Shares	Various banks and Corporates	2810.00	Principal	8 years 5 months to 6 years 9 months
Non-Convertible Redeemable Preference Shares	Various banks and Corporates	2617.94	Dividend and penal interest	8 years 5 months to 6 years 9 months
Total		**11,242.34**		

'* Period up to the date of this audit report considered for reporting the delay.

The Management of the Company informed us that the lender banks have issued notices recalling the dues in an earlier year and hence the Company had re-classified the said dues as 'Current Liabilities' in that year [Refer Note 8(a) to the standalone financial statements].

The Company has no dues to Government (other than the disputed statutory dues mentioned in point vii (b) of 'Annexure A' of our report) or financial institutions and does not have any debentures.

(b) According to the information and explanations provided to us, the Company has not been declared as a willful defaulter by any bank or financial institution or Government or any Government authority.

(c) During the year the Company has not taken any term loan. Hence the provision of clause 3 (ix) (c) of the Order relating to the application of term loan funds is not applicable to the Company.

(d) During the year the Company has not taken any funds on a short-term basis. Hence the provision of clause 3 (ix) (d) of the Order relating to the utilization of short-term funds for long-term purposes is not applicable to the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) During the year the Company has not raised money by way of an initial public offer or further public offer (including debt instruments). Hence the provision of clause 3 (x) (a) of the Order relating to the application of funds, delays or defaults and subsequent rectification is not applicable to the Company.

(b) During the year the Company has not made any preferential allotment or private placement of shares or debentures (fully or partially or optionally convertible). Hence the provision of clause 3 (x) (b) of the Order relating to compliance with the requirements of Section 42 and Section 62 of the Companies Act, 2013, being the application of funds, the amount involved, and the nature of non-compliance are not applicable to the Company.

(xi) (a) During the course of our examination of the books of account 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 fraud by the Company nor any fraud on the Company, either noticed or reported during the year nor have we been informed of any such case by the Management.

(b) No report under Section 143 (12) of the Act has been filed by us - the auditors in Form ADT-4 (a report on a suspected offense involving fraud being committed or having been committed) as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations provided to us, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence the provisions of clause 3 (xii) of the Order, relating to compliance with net owned funds, maintenance of unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out liability, default in payment of interest and repayment for any period, are not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv)(a) In our opinion and according to the information and explanations provided to us, the Company has an internal audit system as required under Section 138 of the Act, which is commensurate with the size and nature of its business.

(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing, and extent of our audit procedures.

(xv) According to the information and explanations provided to us, during the year the Company has not entered into any non-cash transactions with the directors or persons connected with them. Hence the provision of clause 3 (xv) of the Order, relating to compliance with provisions of Section 192 of the Companies Act, 2013, is not applicable to the Company.

(xvi)(a) In our opinion the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence the provisions of clause 3 (xvi) (a) to (c) relating to reporting on registration, carrying on non-banking financial activities, and compliance as a core investment company are not applicable to the Company.

(b) In our opinion, based on the information and explanations provided to us, one of the Promoters of the Company – M/s Aban Investments Private Limited (AIPL) is a core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). AIPL has an asset size of less than INR 100 Crores (Not a Systemically important Core Investment Company). Hence the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 shall not apply to the AIPL, with respect to registration and net owned funds, in accordance with clause (i) of Paragraph 2 read with clause (xxiv) of paragraph 3 of RBI Master Direction DNBR. PD. 003/03.10.119/2016-17 dated August 25, 2016 [Master Direction – Core Investment Companies (Reserve Bank) Directions, 2016].

(xvii) The Company has not incurred cash losses in the current financial year. However, it has incurred cash losses in the immediately preceding financial years amounting to INR 124.12 million. In view of non-confirmation of bank and loan balances as stated in Para 'Basis for qualified opinion' in our audit report the effect of such qualification has not been taken into consideration for the purpose of making comments in this clause.

(xviii) During the year, there is no resignation by the statutory auditors of the company, except statutory change of auditors. Hence the provision of clause 3 (xviii) of the Order relating to the consideration of issues, objections, or concerns raised by the resigned auditor, is not applicable to the company.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and according to the information and explanations provided to us by the Management and its plans, we are of the opinion that there exists material uncertainty as on the date of the audit report with respect to the company's capacity of meeting its liabilities existing at the balance sheet date as and when they fall due within a period of one year from the date of the balance sheet. Further, refer to the 'Material uncertainty related to going concern' para in our audit report. We also state that this is not an assurance as to the future viability of the Company and that our reporting is based on the facts up to the date of this audit report.

(xx) In our opinion and according to the information and explanations given to us, in the absence of average net profits in the immediately three preceding years, there is no requirement for the Company to spend any amount under sub-section 5 of Section 135 (Corporate Social Responsibility) of the Act. Accordingly, clauses 3 (xx) (a) and (b) of the Order, relating to the transfer of unspent CSR funds, are not applicable to the Company.

(xxi) The reporting under clause 3 (xxi) of the Order relating to qualification or adverse remarks by the respective auditors in the CARO report of the Companies included in the Consolidated financial statements, is not applicable in respect of the audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of the said clause under this report.

For Ford Rhodes Parks & Co. LLP
Chartered Accountants
ICAI Registration No: 102860W / W100089

Ramaswamy Subramanian
Partner
Membership No: 016059
ICAI UDIN: 23016059BGYZHL8331

Place: Chennai
Date: May 24, 2023

ANNEXURE "B" TO INDEPENDENT AUDITORS'

REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF ABAN OFFSHORE 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 the financial reporting of **Aban Offshore Limited ("the company")** as of 31st March 2023 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 the 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 Act..

Auditor's 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 Standards on Auditing, issued by the Institute of Chartered Accountants of India (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, issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance 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 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 auditors' judgment, including the assessment of risks of material misstatement of the 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 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 preparation of 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 assets of the Company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the 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, to the best of our information and according to the explanations given to us, 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 31st March 2023, 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 Ford Rhodes Parks & Co. LLP
Chartered Accountants
ICAI Registration No: 102860W / W100089

Ramaswamy Subramanian
Membership No: 016059
ICAI UDIN: 23016059BGYZHL8331

Place: Chennai
Date: May 24, 2023

Balance Sheet As at 31st March 2023

Particulars	Notes	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs. millions
ASSETS			
Non-Current Assets			
Property,Plant and Equipment	3(a)	739.46	1,273.03
Non-current Assets held for sale	3(b)	130.59	660.76
Financial Assets			
(i) Investments	4(a)	128.14	128.55
(ii) Loans	4(c)	295.00	294.39
(iii) Other financial assets	4(f)	933.75	896.08
Deferred Tax Assets	5(a)	464.36	579.37
Total-Non-current assets		**2,691.30**	**3,832.18**
Current assets			
Inventories	6	428.31	729.05
Financial Assets			
(i) Trade receivables	4(b)	2,885.85	3,110.31
(ii) Cash and cash equivalents	4(d)	15.50	13.77
(iii) Other Bank balances	4(e)	-	14.58
(iv) Loans	4(c)	553.55	527.23
(v) Other financial assets	4(f)	247.94	238.02
Other current assets	5	17.43	24.45
Total-current assets		**4,148.58**	**4,657.41**
Total- Assets		**6,839.88**	**8,489.59**
EQUITY AND LIABILITIES			
Equity			
(i) Equity Share Capital	7 (a)	116.73	116.73
(ii) Other Equity	7 (b)	(8,922.90)	(7,765.41)
Total-Equity		**(8,806.17)**	**(7,648.68)**
LIABILITIES			
Non-current liabilities			
Total-Non-Current Liabilities		**-**	**-**
Current liabilities			
Financial Liabilities			
(i) Borrowings	8(a)	6,737.19	7,596.78
(ii) Trade payables			
a) Dues of Micro and Small Enterprises		-	-
b) Total Outstanding dues of other Creditors	10	3,038.12	3,015.66
(iii) Other financial liabilities	8(b)	5,487.36	5,015.78
Employee benefit obligations	9	9.08	0.33
Other current liabilities	11	374.30	509.72
Total-Current Liabilities		**15,646.05**	**16,138.27**
Total-Liabilities		**15,646.05**	**16,138.27**
Total-Equity and Liabilities		**6,839.88**	**8,489.59**
Summary of significant accounting policies	2.1		

The accompanying notes 1 to 37 are an integral part of the financial statements

As per our report of even date

For Ford Rhodes Parks & Co. LLP
Chartered Accountants
ICAI-Registration No.102860W/W1000891

For and on behalf of the Board

Ramaswamy Subramanian
Partner
Membership No.016059

Reji Abraham
Managing Director

P.Venkateswaran
Vice Chairman

Place: Chennai
Date: May 24, 2023

C.P.Gopalkrishnan
Dy.Managing Director & Chief Financial Officer

S.N. Balaji
Dy.General Manager (Legal) & Secretary

Statement of Profit and Loss for the year ended 31st March 2023

Particulars	Notes	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs. millions
Continuing Operations			
Income			
Revenue from operations	12	759.94	813.54
Other income	13	149.02	141.88
Total Income		**908.96**	**955.42**
Expenses			
Consumption of stores,spares,power and fuel	14	31.00	27.45
Employee benefits expense	15	91.72	106.92
Finance Costs	16	691.51	793.28
Depreciation and amortization expense		381.56	405.26
Impairment loss of Receivables		667.64	82.85
Impairment loss of property, plant and equipment / Asset held for Sale		209.09	164.45
Inventory Write Down		81.94	92.32
Other expenses	17	699.00	384.91
Total expenses		**2,853.46**	**2,057.44**
Loss before exceptional items and tax		**(1,944.50)**	**(1,102.02)**
Exceptional items [Profit / (Loss)]	30	933.12	98.82
Loss before tax		**(1,011.38)**	**(1,003.20)**
Tax expense			
Current tax		-	-
Deferred tax		115.01	53.82
Total tax expense		**115.01**	**53.82**
Loss for the year from continuing operations		(1,126.39)	(1,057.02)
Discontinued Operations			
Loss before tax from discontinued operations		(23.53)	(0.39)
Tax income/(expense) of discontinued operations		-	-
Loss for the year from discontinued operations		(23.53)	(0.39)
Loss for the year		**(1,149.92)**	**(1,057.41)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Expected return on Plan assets & Net Actuarial gain/(loss) recognised during the year-Employee benefit		(7.57)	3.61
Total Comprehensive Income for the year		**(1,157.49)**	**(1,053.79)**
Earnings per equity share for continuing operations			
Basic		(19.31)	(18.11)
Diluted		(19.31)	(18.11)
Earnings per equity share for discontinued operations			
Basic		(0.40)	(0.01)
Diluted		(0.40)	**(0.01)**
Earnings per equity share for continuing and discontinued operations			
Basic		(19.71)	(18.12)
Diluted		(19.71)	(18.12)
Summary of significant accounting policies	2.1		

The accompanying notes 1 to 37 are an integral part of the financial statements

As per our report of even date

For Ford Rhodes Parks & Co. LLP
Chartered Accountants
ICAI-Registration No.102860W/W1000891

Ramaswamy Subramanian
Partner
Membership No.016059

Place: Chennai
Date: May 24, 2023

For and on behalf of the Board

Reji Abraham
Managing Director

P.Venkateswaran
Vice Chairman

C.P.Gopalkrishnan
Dy.Managing Director & Chief Financial Officer

S.N. Balaji
Dy.General Manager (Legal) & Secretary

Statement of Changes in Equity for the year ended 31st March 2023 and 2022

A. Equity Share Capital Rs.millions

As at 1st April 2021	
Changes in equity share capital	-
As at 31st March 2022	**116.73**
Changes in equity share capital	-
As at 31st March 2023	**116.73**

B. Other Equity

	Reserves and Surplus						Items of Other Comprehensive Income		Total
	Capital Reserve	Securities Premium Reserve	Investment Allowance Reserve	Capital Redemption reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Others	
Balance at 1st April 2021	0.03	17,765.80	52.40	2,810.00	1,479.79	(28,840.37)	(0.55)	21.29	(6,711.61)
Loss for the year	-	-	-	-	-	(1,057.41)	-	-	(1,057.41)
Total Comprehensive Income for the year	-	-	-	-	-	-	-	3.61	3.61
Dividends	-	-	-	-	-	-	-	-	-
Transfer to Capital redemption reserve	-	-	-	-	-	-	-	-	-
Any other change-allotment against share warrants	-	-	-	-	-	-	-	-	-
Balance at 31st March 2022	**0.03**	**17,765.80**	**52.40**	**2,810.00**	**1,479.79**	**(29,897.78)**	**(0.55)**	**24.90**	**(7,765.41)**

	Reserves and Surplus						Items of Other Comprehensive Income		Total
	Capital Reserve	Securities Premium Reserve	Investment Allowance Reserve	Capital Redemption reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Others	
Balance at 1st April 2022	0.03	17,765.80	52.40	2,810.00	1,479.79	(29,897.78)	(0.55)	24.90	(7,765.41)
Loss for the year	-	-	-	-	-	(1,149.92)	-	-	(1,149.92)
Total Comprehensive Income for the year	-	-	-	-	-	-	-	(7.57)	(7.57)
Dividends	-	-	-	-	-	-	-	-	-
Transfer to Capital redemption reserve	-	-	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-	-	-
Balance at 31st March 2023	**0.03**	**17,765.80**	**52.40**	**2,810.00**	**1,479.79**	**(31,047.70)**	**(0.55)**	**17.33**	**(8,922.90)**

As per our report of even date

For Ford Rhodes Parks & Co. LLP
Chartered Accountants
ICAI-Registration No.102860W/W1000891

Ramaswamy Subramanian
Partner
Membership No.016059

Place: Chennai
Date: May 24, 2023

For and on behalf of the Board

Reji Abraham
Managing Director

P.Venkateswaran
Vice Chairman

C.P.Gopalkrishnan
Dy.Managing Director & Chief Financial Officer

S.N. Balaji
Dy. General Manager (Legal) & Secretary

Cash Flow Statement for the year ended 31st March 2023

	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs. millions
Cash Flow from operating activities		
Loss before tax		
from Continuing Operations	(1,011.38)	(1,003.20)
from discontinued business	(23.53)	(0.39)
Non cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization	381.56	405.26
Finance Cost	691.51	793.28
Loss/(profit) on sale of fixed assets	19.57	(2.09)
Provision for Employee Benefits	8.75	3.15
Excess Provision Reversed	(50.16)	(27.09)
Unrealized foreign exchange (gain)/loss	316.37	126.82
Interest Income	(42.13)	(0.91)
Inventory Written Down	81.94	-
Impairment loss of Plant, Property and Equipment	209.09	164.45
Impairment Loss of Receivables	667.64	82.85
Bank Working Capital Loan Waiver	(933.12)	(98.82)
Operating profit before working capital changes	**316.11**	**443.31**
Movements in working capital:		
Increase/(Decrease) in trade payables	(54.92)	(555.47)
Increase/(Decrease) in other current liabilites	(1.08)	(70.82)
Decrease/(Increase) in trade receivables	(178.24)	184.28
Decrease/(Increase) in inventories	218.79	68.47
Decrease/(Increase) in long term loans and advances	(19.49)	4.91
Decrease/(Increase) in short term loans and advances	(28.36)	97.96
Cash generated from operations	252.81	172.64
Direct taxes paid (net of refunds)	(21.82)	24.57
Net cash flow from operating activities (A)	**230.99**	**197.21**
Cash Flow from investing activities		
Purchase of tangible assets	(5.20)	(7.67)
Proceeds from sale of tangible assets	550.73	0.09
Interest received	41.27	0.22
Sale of Non Current Investments	0.41	
Net cash flow from / (used in) investing activities (B)	**587.21**	**(7.36)**

	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs. millions
Cash Flow from financing activities		
Repayment of Long term borrowings	(1,566.07)	(102.03)
Repayment of loan by foreign subsidiary and other Group Companies/ (Loans extended to foreign subsidiary and other Group Companies)	735.04	(43.28)
Interest paid	-	71.08
Net cash used in financing activities (C)	**(831.03)**	**(74.23)**
Net increase /(decrease) in cash and cash equivalents (A+B+C)	(12.83)	115.62
Effect of exchange differences on cash and cash equivalents held in foreign currency	(0.02)	0.01
Cash and cash equivalents at the beginning of the year	28.35	(87.28)
Cash and cash equivalents at the end of the year	**15.50**	**28.35**
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per above comprise of the following		
Cash and cash equivalents *	15.50	28.35
Balances per statement of cash flows	**15.50**	**28.35**
* Includes Restricted Cash balance - unpaid dividend liability	-	4.04

As per our report of even date
For Ford Rhodes Parks & Co. LLP
Chartered Accountants
ICAI-Registration No. 102860W/W1000891

For and on behalf of the Board

Ramaswamy Subramanian
Partner
Membership No:016059
Place: Chennai
Date: 24 May 2023

Reji Abraham
Managing Director

C.P.Gopalkrishnan
Dy.Managing Director & Chief Financial Officer

P.Venkateswaran
Vice Chairman

S.N. Balaji
Dy. General Manager (Legal) & Secretary

Notes to IND AS Financial Statements for the year ended 31st March 2023

1. Corporate Information

Aban Offshore Limited (AOL) (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges (NSE and BSE) in India. The company is engaged in the business of providing offshore drilling and production services to companies engaged in exploration, development and production of oil and gas both in domestic and international markets. The company is also engaged in the ownership and operation of wind turbines for generation of wind power in India. During the year, one of the secured lenders took possession of wind power land and issued an auction notice for sale. Consequent to that, the Company discontinued its wind power operation.

2. Basis of preparation

The financial statements have been prepared in accordance with IFRS converged Indian Accounting Standards (IndAS) as issued by the Ministry of Corporate Affairs (MCA).

All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of business operations, the Company has ascertained its operating cycle as 12 months for the purpose of current and non- current classification of assets and liabilities.

2.1 Summary of significant accounting policies

1. Use of estimates

Preparation of these financial statements in accordance with IndAS requires management to make judgements on the basis of certain estimates and assumptions. In addition, the applications of accounting policies require management judgment. Estimates are based on the managements view on past events and future development and strategies. Management reviews the estimates and assumptions on a continuous basis, by reference to past experiences and other factors that can reasonably be used to assess the book values of assets and liabilities.

The accounting policies which have the most significant effect on the figures disclosed in the financial statements are mentioned below and these should be read in conjunction with the disclosure of the significant IndAS accounting policies provided below:

i. Impairment testing

a) Goodwill:

Company's management reviews regularly, and at each reporting date, whether there is any indication of impairment in respect of Goodwill. Goodwill is tested annually for impairment, even if there is no indication of impairment.

b) Property, Plant & Equipment, Investment in Subsidiary Corporations:

Property, Plant and Equipment and Investments in subsidiary corporations are tested for impairment whenever there is objective or indication that these assets may be impaired.

For the purpose of Impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis. If the recoverable value of the asset is estimated to be less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The difference between the carrying amount of the asset and the recoverable amount is recognized as impairment loss in Statement of profit and loss.

c) Trade Receivables:

The Company assesses the expected credit losses associated with its Trade Receivables on annual basis. The impairment methodology applied depends on whether there has been significant increase in credit risk in the initial recognized amount. For Trade Receivables the Company applies the approach permitted by IND AS109 which requires expected lifetime losses to be recognized from initial recognition of the receivable.

ii. Useful life of Property, Plant and Equipment

The assessment of the useful life of each asset by considering the historical experience and expectations regarding future operations and expected usage, estimated technical obsolescence, residual value, physical wear and tear and the operating environment in which the asset is located needs significant judgement by the management.

iii. Fair Value

Certain financial instruments, such as investments in equity securities, derivative financial instruments and certain elements of borrowings, are carried in the financial statements at fair value, with changes in fair value reflected in the income statements. Fair values are estimated by reference to published price quotations or by using other valuation techniques that may include inputs that are not based on observable market data, such as discounted cash flows analysis.

2. Presentation of true and fair view

These financial Statements have been prepared by applying IndAS principles and necessary disclosures have been made which present a true and fair view of the financial position, financial performance and cash flows of the Company.

3. Accrual basis

These financial statements, except for cash flow information, have been prepared using the accrual basis of accounting.

4. Basis of Measurement

These financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain properties and financial instruments that have been measured at fair values or revalued amounts as required by the relevant IndAS.

5. Offsetting

In preparation of these Financial Statements, the Company has not offset assets and liabilities or income and expenses, unless required or permitted by Ind AS.

6. Functional and Presentation Currency

IndAS 21 (The effects of changes in foreign exchange rates) requires that functional currency and presentation currency be determined. Functional currency is the currency of the primary economic environment in which the entity operates. Presentation currency is the currency in which the financial statements are presented.

These financial statements are presented in Indian Rupee, which is the functional currency and presentation currency of the Company. All foreign currency transactions are expressed in the functional currency using the exchange rate at the transaction date.

Foreign currency balances representing cash or amounts to be received or paid in cash (monetary items) are retranslated at the end of the year using the exchange rate on that date. Exchange differences on such monetary items are recognized as income or expense for the year.

Non-monetary balances that are not remeasured at fair value and are denominated in a foreign currency are expressed in the functional currency using the exchange rate at the transaction date. Where a non-monetary item is remeasured at fair value in the financial statements, the exchange rate at the date when fair value was determined is used.

7. Property, plant and equipment

Property, plant and equipment (PPE) is recognized when the cost of an asset can be reliably measured and it is probable that the entity will obtain future economic benefits from the asset.

PPE is measured initially at cost. Cost includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable cost of bringing the asset to working condition for its intended use (inclusive of import duties and non-refundable purchase taxes).

In the first year of transition to IndAS, the various items of PPE have been valued as per their 'deemed cost' in accordance with IndAS 101(First time adoption of Indian accounting standards).

The company has chosen the deemed cost exception provided in Ind AS 101. Accordingly, it has partly revalued its property, plant and equipment, and partly recalculated carrying values by applying Ind AS guidance from the date of acquisition of such assets.

The cost of a major inspection or overhaul of an item occurring at regular intervals over the useful life of the item is capitalised to the extent that it meets the recognition criteria of an asset. The carrying amounts of the parts replaced are derecognized.

8. Non-Current Assets held for Sale and Discontinued Operations

with IND AS 105, Property, Plant and Equipment are classified as Non-Current Assets held for sale in case such asset is available for sale in its present condition and its sale must be highly probable. In addition the sale should be expected to qualify for recognition as completed sale within one year from the date of classification or such extended period in circumstances beyond the control of the company. A non-current asset classified as held for sale is carried at lower of its carrying amount and fair value less cost to sell. Such asset is not depreciated after the date of such classification. Interest and other expenses attributable to liability associated with non- current assets classified as held for sale shall continue to be recognized.

Discontinued operations are excluded from the results of the continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss. All other notes to the financial statements include amounts from continuing operations unless otherwise mentioned.

9. Depreciation on Property, Plant and Equipment (PPE)

The depreciable amount of PPE (being the gross carrying value less the estimated residual value) is depreciated on a systematic basis over its remaining useful life. Subsequent expenditure relating to an item of PPE is capitalized if it meets the recognition criteria.

PPE may comprise parts with different useful lives. Depreciation is calculated based on each individual part's life subject to the life of the main asset.

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful life of the assets as under-

Fixed Assets	Useful Life
Buildings	60 years
Drilling Rigs	30 or 39 years
Drillship	25 years
Computers	3 years
Windmills	22 years
Furniture and fixtures	10 years
Motor Vehicles	8 years

As on transition, based on the technical evaluation, the estimated useful lives of some of the rigs have been revised from 30 years to 39 years.

Notes to IND AS Financial Statements for the year ended 31st March 2023

10. Borrowings costs

Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of funds. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset. Other borrowing costs are recognized as an expense.

Borrowing costs include interest expense, if any, calculated using the effective interest method, finance charges, if any, in respect of finance leases and exchange differences, if any, arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

11. Impairment of Property, plant and equipment

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is recognized immediately in Statement of profit or loss, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset shall be treated as a revaluation decrease.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

An impairment loss recognized in prior periods for an asset other thangoodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized.

12. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

Quoted Investments are recognized and measured at fair value.

Investments in subsidiary corporations are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognized in the profit and loss.

13. Inventories

The Company determines the cost for items that are not interchangeable or that have been segregated for specific contracts on an individual-item basis as per IndAS 2, 'Inventories'. The cost of other inventory items used is assigned by using either the first-in first-out (FIFO) or weighted average cost formula.

The Company uses the same cost formula for all inventories of similar nature and use. The cost formula used is applied on a consistent basis from period to period.

Inventories are initially recognized at the lower of cost and net realisable value (NRV). Cost of inventories includes import duties, non-refundable taxes, transport and handling costs and any other directly attributable costs, less trade discounts, rebates and similar items. Costs such as abnormal amount of wasted materials, storage costs, administrative costs and selling costs are excluded from the cost of inventories. NRV is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated selling expenses.

14. Revenue recognition

Revenue is recognized when a customer obtains control of goods or services. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the goods or services.

For this, the company first determines whether control is transferred over time. If the answer to this question is negative, only then revenue is recognized at a point in time, or else it is recognized over time.

The company recognizes revenue to depict the transfer of goods or services to customers at an amount expected to be received in exchange for those goods or services.

Income from drilling services is recognized as earned, based on contractual daily rates billed on monthly basis. Mobilization /demobilization fees received, if any, is recognized as earned in the year of mobilization/demobilization.

Income from wind power generation is recognized based on the number of units of power generated every month at contracted rates.

Interest income is recognized on time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the Statement of Profit and Loss.

Dividend income is recognized when the company’s right to receive dividend is established by the reporting date.

15. Retirement and other employee benefits

Employee benefits are all forms of consideration given or promised by the company in exchange for services rendered by its employees. These benefits include salary-related benefits (such as wages, profit-sharing, bonus and compensated absences, such as paid holiday and long-service leave), termination benefits (such as severance and redundancy pay) and postemployment benefits (such as retirement benefit plans).

Defined contribution plans

The cost of defined contribution plans is the contribution payable by the employer for that accounting period.

Defined benefit plans

Accounting for defined benefit plans is based on actuarial assumptions and different valuation methods to measure the balance sheet obligation and the expense.

Contribution to Provident Fund which is a defined contribution retirement plan is made monthly at a predetermined rate to the Provident Fund Authorities and is debited to the Statement of Profit and Loss on accrual basis.

Contribution to National Pension System (NPS), which is defined contribution retirement plan, is made annually at predetermined rate and debited to the Statement of Profit and Loss.

Where defined benefit plans are funded, the plan assets are measured at fair value. At each balance sheet date, the plan assets and the defined benefit obligations are re-measured. Re-measurement gains and losses comprise actuarial gains and losses, return on plan assets (comprise amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability or asset). Re-measurements are recognized in other comprehensive income.

The amount of pension expense to be recognized in profit or loss is comprised of the following individual components, unless they are required or permitted to be included in the costs of an asset:

- Service costs (present value of the benefits earned by active employees)
- Net interest costs (unwinding of the discount on the defined benefit obligations and a theoretical return on plan assets)

The company makes annual contribution to Gratuity Funds administered by Insurance Companies, which is considered as defined benefit plan. The present value of the defined benefit is measured using the ‘Projected Unit Credit method’ with actuarial valuation being carried out at each Balance Sheet date by an independent valuer. Actuarial gain and losses are immediately recognized in the Statement of Profit and Loss. Amount of contribution, computed by the insurers is paid by the company and charged to Statement of Profit and Loss. No additional liability is anticipated under the scheme administered by the Insurance Companies.

The Company makes provision for leave encashment based on actuarial valuation carried out by an independent actuary at the Balance Sheet date.

16. Taxes on income

Current tax expense is based on the taxable and deductible amounts to be used for the computation of the taxable income for the current year. A liability is recognized in the balance sheet in respect of current tax expense for the current and prior periods to the extent unpaid. An asset is recognized if current tax has been overpaid.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, except when the temporary difference arises from the following :

- Initial recognition of goodwill (for deferred tax liabilities only)
- Initial recognition of an asset or liability in a transaction which is not a business combination and which affects neither accounting profit nor taxable profit
- Investments in subsidiaries, branches, associates and joint ventures, but only when certain criteria apply.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

A deferred tax asset is recognized for deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

Current and deferred tax is recognized in profit or loss for the period, unless the tax arises from a business combination or a transaction or event that is recognized outside profit or loss, either in other comprehensive income or directly in equity in the same or different period.

17. Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

Derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognized in other comprehensive income and later reclassified to profit or loss when the hedge item affects profit or loss :

For the purpose of hedge accounting, hedges are classified as:

Fair value hedges - when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment.

Cash flow hedges - when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment.

Notes to IND AS Financial Statements for the year ended 31st March 2023

18. Segment reporting

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of services provided with each segment representing strategic business unit that offers different services. The Company is engaged primarily in the business of offshore drilling services.

19. Earnings per share

Basic EPS is calculated by dividing the profit or loss for the period attributable to the equity holders of the company by the weighted average number of ordinary shares outstanding (including adjustments for bonus and rights issues).

Diluted EPS is calculated by adjusting the profit or loss and the weighted average number of ordinary shares by taking into account the conversion of any dilutive potential ordinary shares.

Basic and diluted EPS are presented in the statement of profit and loss for each class of ordinary shares in accordance with IndAS 33 (Earning per share).

20. Provisions, contingent liabilities and contingent assets

The Company recognizes a provision when:

- There is a present obligation to transfer economic benefits as a result of past events;
- it is probable (more likely than not) that such a transfer will be required to settle the obligation;
- and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the expenditure required to settle the obligation at the balance sheet date, measured at the expected cash flows discounted for the time value of money. Provisions are not recognized for future operating losses.

An obligation and any anticipated recovery are presented separately as a liability and an asset respectively; however, an asset is recognized only if it is virtually certain that settlement of the obligation will result in a reimbursement, and the amount recognized for the reimbursement does not exceed the amount of the provision. The amount of any expected reimbursement is disclosed. Net presentation is done only in the income statement.

Management performs an exercise at each balance sheet date to identify the best estimate of the expenditure required to settle the present obligation at the balance sheet date, discounted at an appropriate rate. The increase in provision due to the passage of time (that is a consequence of the discount rate) is recognized as borrowing cost.

Contingent liabilities are possible obligations whose existence will be confirmed only on the occurrence or non-occurrence of uncertain future events outside the entity's control, or present obligations that are not recognized because of the following :

(a) It is not probable that an outflow of economic benefits will be required to settle the obligation; or

(b) the amount cannot be measured reliably.

As per IndAS 37 (Provisions, contingent liabilities and contingent assets), Contingent liabilities, if any, are not recognized but are disclosed and described in the notes to the financial statements, including an estimate of their potential financial effect and uncertainties relating to the amount or timing of any outflow, unless the possibility of settlement is remote.

Contingent assets are possible assets whose existence will be confirmed only on the occurrence or non-occurrence of uncertain future events outside the entity's control. As per IndAS 37, Contingent assets, if any, are not recognized but are disclosed and described in the notes to the financial statements, including an estimate of their potential financial effect if the inflow of economic benefits is probable.

Notes to IND AS Financial Statements for the year ended 31st March 2023

21. Cash and cash equivalents

Cash and cash equivalents for the purpose of the cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

22. Share based payments

All types of share-based payments and transactions are measured at fair value and recognized over the vesting period in accordance with IndAS 102. However this is not applicable for equity instruments that vested before date of transition to IndAS.

23. Events after the reporting period

Dividends proposed or declared for the reporting period but before the financial statements are approved for issue, are not recognized as a liability at the end of the reporting period because no obligation exists at that time. This provision for dividends will be recognized only in the period when the dividend is declared and approved.

24. Related Party Disclosures

All disclosures as specified under IndAS 24 (Related party disclosures) are made in these Financial Statements in respect of the company's transactions with related parties.

25. Leases

The Company as a Lessor

As per IND AS 116, Leases of Property Plant and Equipment where the Company retains substantially all risks and rewards incidental to ownership are classified as Operating Lease. Income from Operating Lease is recognized in the Profit and Loss over the Lease tenure .

26. Financial Instruments

Financial assets and financial liabilities are recognized on the Company Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial Assets - Trade receivables

Trade receivables are non-interest-bearing and are recognized initially at fair value, and subsequently at amortized cost using the effective interest rate method, less provision for impairment loss allowance, if any.

Financial Assets - Investments

Investments consist of investments in equity shares (quoted) and are recognized at fair value through other comprehensive income. Gains and losses arising from changes in fair value are recognized directly in other comprehensive income, until the security is disposed off or is determined to be impaired, at which time the cumulative gain or loss previously recognized in other comprehensive income is included in the income Statement for the period. Dividends, if any, on equity instrument are recognized in the Income Statement when the company's right to receive payment is established.

Loans and Advances

Loans and advances are initially recognized at fair value plus directly related transaction costs. Subsequent to initial recognition, these assets are carried at amortized cost using the effective interest method less any impairment losses. Income from these financial assets is calculated on an effective yield basis and is recognized in the Income Statement.

Impairment of Loans and Advances

At each balance sheet date, the Company reviews the carrying amounts of its loans and advances to determine whether there is any indication that those assets have suffered an impairment loss.

If there is objective evidence that an impairment loss on a financial asset or group of financial assets classified as loans and advances has been incurred, the Company measures the amount of the loss as the difference between the carrying amount of the asset or group of assets and the present value of estimated future cash flows from the asset or group of assets discounted at the effective interest rate of the instrument at initial recognition.

Impairment losses, if any, are recognized in the Income Statement and the carrying amount of the financial asset or Company of financial assets is reduced by establishing an allowance for impairment losses.

If in a subsequent period the amount of the impairment loss reduces and the reduction can be ascribed to an event after the impairment was recognized, the previously recognized loss is reversed by adjusting the allowance. Once an impairment loss has been recognized on a financial asset or group of financial assets, interest income is recognized on the carrying amount using the rate of interest at which estimated future cash flows were discounted in measuring impairment.

Loan impairment provisions are established taking into account the level of arrears, security, past loss experience, credit scores and defaults based on portfolio trends. The most significant factors in establishing these provisions are the expected loss rates.

Interest-bearing borrowings

Interest-bearing bank loans and overdrafts are initially recorded at fair value, net of attributable transaction costs. Subsequent to initial recognition, interest bearing borrowings are stated at amortized cost with any difference between proceeds and redemption value being recognized in the Income Statement over the period of the borrowings on an effective interest rate basis.

Trade payables

Trade payables are non-interest-bearing and are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet only when there is a current legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

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Notes to IND AS Financial Statements for the year ended 31st March 2023

3(a). Property,plant and equipment

Rs.millions

	Land-Freehold	Buildings	Offshore Jack-up rigs	Other Machineries	Wind Mills	Office Equipment	Furniture and Fixtures	Vehicles	Total	Capital work in progress
Year ended 31st March 2022										
Gross Carrying amount										
Opening gross carrying amount	128.56	109.86	10,771.19	4.08	29.12	14.28	2.11	26.10	11,085.30	-
Additions	-	-	6.69	-	-	0.80	-	0.18	7.67	-
Disposals	-	-	-	-	-	-	-	(1.82)	(1.82)	-
Balance as on 31st March 2022	**128.56**	**109.86**	**10,777.88**	**4.08**	**29.12**	**15.08**	**2.11**	**24.46**	**11,091.15**	**-**
Accumulated Depreciation / Impairment										
Opening accumulated depreciation	-	17.26	9,313.36	-	-	8.93	0.85	15.53	9,355.93	-
Depreciation charged during the year	-	2.43	399.66	-	-	0.72	-	2.45	405.26	-
Disposals	-	-	-	-	-	-	-	(2.01)	(2.01)	-
Impairment Charge	-	-	58.94	-	-	-	-	-	58.94	
Closing Accumulated Depreciation	**-**	**19.69**	**9,771.96**	**-**	**-**	**9.65**	**0.85**	**15.97**	**9,818.12**	**-**
Net Carrying amount as on 31st March 2022	**128.56**	**90.17**	**1,005.92**	**4.08**	**29.12**	**5.43**	**1.26**	**8.49**	**1,273.03**	**-**
Year ended 31st March 2023										
Gross Carrying amount										
Opening gross carrying amount	128.56	109.86	10,777.88	4.08	29.12	15.08	2.11	24.46	11,091.15	-
Additions	-	-	-	-	-	0.40	-	4.80	5.20	0.46
Disposals	-	-	-	(4.08)	(29.12)	-	-	(3.58)	(36.78)	-
Assets Re-classified as Assets Held for Sale	(123.45)	-	-	-	-	-	-	-	(123.45)	-
Balance as on 31st March 2023	**5.11**	**109.86**	**10,777.88**	**-**	**-**	**15.48**	**2.11**	**25.68**	**10,936.12**	**-**
Accumulated Depreciation / Impairment										
Opening accumulated depreciation	-	19.69	9,771.96	-	-	9.65	0.85	15.97	9,818.12	-
Depreciation charged during the year	-	2.43	376.54	-	-	0.81	-	1.78	381.56	-
Disposals	-	-	-	-	-	-	-	(3.02)	(3.02)	-
Closing Accumulated Depreciation	**-**	**22.12**	**10,148.50**	**-**	**-**	**10.46**	**0.85**	**14.73**	**10,196.66**	**-**
Net Carrying amount as on 31st March 2023	**5.11**	**87.74**	**629.38**	**-**	**-**	**5.02**	**1.26**	**10.95**	**739.46**	**-**

Notes to IND AS Financial Statements for the year ended 31st March 2023

3(b) Non- Current Assets Held for Sale

The downturn in the Oil & Gas industry and the consequential reduced day rates that the offshore rigs are commanding in the current market conditions has put the Company in severe cashflow crisis leading to difficulty in timely servicing of outstanding debt. The Board of Directors in its meeting held on 5th March 2021 took on record the discussions between the Company and consortium of lenders for sale of the idle rigs owned by the Company. The net proceeds that would be realized from the sale of such rigs shall be utilized to repay the outstanding debt of the Company to the consortium of lenders. In the Extra ordinary meeting of the Company held on 29th March 2021, the Shareholders have accorded their approval to the Company to sell, transfer, deliver or otherwise dispose off the following assets owned by the Company viz Jack up Rigs Aban V and Aban VI, Drillship Aban Ice and Floating Production unit TAHARA (collectively “the rigs”) and also authorized the Board of Directors to finalize and execute the documents in relation to the sale of the aforementioned rigs.

Of the above assets held for sale, 3 offshore units have been sold during the year 2022-23 and delivered to the buyer. The sale of one of the offshore units (viz., Floating Production Unit, Tahara) is highly probable and expected to be completed within one year from the end of the financial year 2022-23.

Freehold Land valuing Rs.123.45 Million has been classified as Non-Current Asset Held for Sale as the lender has taken possession of the Land and has issued an Auction Notice.

The carrying value of the Non-current assets held for sale as on 31st March 2023 is as under:

Class of Assets	**2022-23 Rs. millions**	**2021-22 Rs. millions**
Offshore Jack-up Rigs	7.14	174.15
Drillship	-	486.61
Freehold Land	123.45	-
Total	130.59	660.76

Note 3 (b) - Asset Held for Sale

	As at 31st March 2023 Rs. millions	**As at 31st March 2022 Rs.millions**
Opening Balance 31/03/2021	660.76	660.76
Less: Impairment 2021-22	105.51	105.51
Closing Balance	**555.25**	**555.25**

4 (a). Non-current investments

	As at 31st March 2023 Rs. millions	**As at 31st March 2022 Rs. millions**
Trade Investment (valued at cost unless stated otherwise)		
Unquoted equity shares		
Investment in subsidiaries-wholly owned		
- 0.2 million (31st March 2022:0.2 million) equity shares of Rs.10 each fully paid in Aban Energies Limited	2.00	2.00
- 562.88 million(31st March 2022:562.88 million) equity shares in Aban Holdings Pte Ltd, Singapore # @	26,046.71	26,046.71

Notes to IND AS Financial Statements for the year ended 31st March 2023

	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs. millions
- 131.40 million (31st March 2022: 131.40 million)Non-Cumulative Optionally Redeemable / Convertible Preference Shares in Aban Holdings Pte Ltd, Singapore	9,270.61	9,270.61
Other- Investments		
- NIL (31st March 2022:0.015 million) equity shares of Rs.10 each fully paid in Radhapuram Wintech Private Limited	-	0.15
- 4.011 million (31st March 2022 :4.011 million)10% Non Cumulative Redeemable Preference shares of Rs 10 each fully paid in Radhapuram Wintech Private Limited	40.11	40.11
- NIL (31st March 2022:0.025) equity shares of Rs.10 each fully paid in Aban Green Power Private Limited	-	0.25
- 6.613 million (31st March 2022:6.613 million)10% Non Cumulative Redeemable Preference shares of Rs 10 each fully paid in Aban Green Power Private Limited	66.13	66.13
- 0.3 million (31st March 2022: 0.3 million) equity shares of Rs.10 each fully paid in Aban Informatics Private Limited	19.85	19.85
Investment in joint ventures/associates (Non-Trade)		
- 0.05 million(31st March 2022:0.05 million) equity shares of Rs.100 each fully paid in Frontier Offshore Exploration(India) Limited (at cost less provision for other than temporary diminution in value Rs.4.99 million(31st March 2022:Rs.4.99 million))	-	-
- 0.005 million (31st March 2022: 0.005 million) equity shares of Rs.10 each fully paid in Aban Drilling Services Private Limited	0.05	0.05
	35,445.46	**35,445.86**
Less:		
- Impairment of Investments in Aban Holdings Pte Ltd, Singapore	(35,317.32)	(35,317.32)
	128.14	**128.55**
Non-trade investments (measured at fair value)		
Investment in equity shares (quoted)		
'0.01 million (31st March 2022: 0.01 million) equity shares of Rs.10 each fully paid in Arihant Threads Ltd (at cost less provision for other than temporary diminution in value of Rs.0.18 million (31st March 2022: Rs.0.18 million))	-	-
'0.0003 million (31st March 2022: 0.0003 million) equity shares of Rs.10 each fully paid in Punjab Woolcombers Ltd at cost less provision for other than than temporary dimunition in value of Rs 0.02 million (31st March 2022 : Rs 0.02 million)	-	-
	128.14	**128.55**
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	128.14	128.55
Aggregate provision for impairment in value of investments	35,322.50	35,322.50

Note: Face value of the investment not provided, since investment in share capital in Singapore companies has no face value according to the Company Law of Singapore.

Notes to IND AS Financial Statements for the year ended 31st March 2023

@ Note: The Equity shares held in Aban Holdings Pte Limited Singapore are under pledge with Bank of Baroda,UAE as a security against credit facility availed by Aban Holdings Pte Limited, Singapore(the wholly owned foreign subsidiary).

4(b) Trade receivables

	Non-current		Current	
	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Unsecured, considered good unless stated otherwise				
Unsecured, considered good	-	-	2,885.85	3,110.31
Doubtful	-	-	903.14	235.50
	-	-	3,788.99	3,345.81
Less: Credit Loss allowance	-	-	(903.14)	(235.49)
Less: Unbilled Dues	-	-	-	-
Total	**-**	**-**	**2,885.85**	**3,110.31**

i) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company.

Due to the nature of the Company's operations, revenue and receivable are typically concentrated amongst a relatively small customer base of oil and gas companies. The Company ensures that drilling contracts are with customers of adequate financial standing and appropriate credit history Additionally, the customers' payment profile and credit exposure are continuously monitored. The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial assets on the balance sheet.

The credit risk for trade receivables (net of loss allowance) based on the information provided to key management is as follows:

	2023 INR millions	2022 INR Millions
By geographical areas		
Asia	2,885.85	3,110.31

Customers are mainly government-linked oil and gas corporations.

The movement in credit loss allowance for trade receivables of the Company is set out as follows:

	2023 INR millions	2022 INR Millions
Beginning of the financial year	235.50	152.65
Loss allowance recognised in profit or loss during the financial year	667.64	82.85
End of the financial year	**903.14**	**235.50**

The Company uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables.

In measuring the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and days past due.

In calculating the expected credit loss rates, the Company purely considers historical loss rates which management is of the view that the historical conditions are representative of the conditions prevailing at the balance sheet date.

Notes to IND AS Financial Statements for the year ended 31st March 2023

Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company.

The Companies credit risk exposure in relation to trade receivables under Ind AS 109 as at 31st March 2023 and 2022 are set out in the provision matrix as follows:

		Past due			
	Not past due INR in Million	**< 3 months** INR in Million	**3 to 6 months** INR in Million	**More than 180 days** INR in Million	**Total** INR in Million
Group					
31 March 2023					
Trade receivables	-	-	-	3,788.99	3,788.99
Loss allowance	-	-	-	(903.14)	(903.14)
31 March 2022					
Trade receivables	-	-	-	3,345.81	3,345.81
Loss allowance	-	-	-	(235.50)	(235.50)

Trade Receivables Ageing Schedule

Rs. millions

Particulars	Outstanding for following periods from due date of Payments					
	Less than 6 months	**6 months to 1 year**	**1 to 2 years**	**2 to 3 years**	**more than 3 years**	**Total**
(i) Undisputed Trade Receivables - Considered Goods	-	0.51	-	-	2,630.67	2,631.18
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	903.14	903.14
					(903.14)	(903.14)
(iv) Disputed Trade Receivables - Considered Goods	-	-	-	-	254.67	254.67
(v) Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-

4 (c) Loans

	Non-current		Current	
	As at 31st March 2023 Rs. millions	**As at 31st March 2022 Rs.millions**	**As at 31st March 2023 Rs. millions**	**As at 31st March 2022 Rs.millions**
Advances recoverable in cash or kind				
Secured considered good	-	-	-	-
Unsecured considered good	281.86	282.03	551.32	521.49
Doubtful	-	-	-	-
	281.86	282.03	551.32	521.49
Provision for doubtful advances	-	-	-	-
	281.86	282.03	551.32	521.49
Loans to employees	13.14	12.36	2.23	5.74
	295.00	**294.39**	**553.55**	**527.23**

Notes to IND AS Financial Statements for the year ended 31st March 2023

4(d). Cash and Cash Equivalents

	Non-current		Current	
	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Cash and cash equivalents				
Balances with banks:				
-On current accounts	-	-	14.86	12.80
Cash on hand	-	-	0.64	0.97
	-	**-**	**15.50**	**13.77**

4(e). Other bank balances

	Non-current		Current	
	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
On unpaid dividend account	-	-	-	4.04
-Deposits with original maturity for more than 12 months	3.91	3.03	-	-
- Margin money deposit	9.65	-	-	10.54
	13.56	3.03	-	14.58
Amount disclosed under other financial assets (See note 4(f)	**(13.56)**	**(3.03)**	-	-
	-	**-**	-	**14.58**

4(f). Other financial assets

	Non-current		Current	
	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Security deposit	2.10	2.10	8.01	8.02
Balances with statutory/ government authorities	198.56	193.24	69.07	69.07
Non-current bank balances -[See note 4 (e)]	13.56	3.03	-	-
Advance Income Tax (Net)	719.53	697.71	-	-
Input Tax Credit under GST (Net of GST Liabilities)	-	-	170.86	160.93
	933.75	**896.08**	**247.94**	**238.02**

Notes to IND AS Financial Statements for the year ended 31st March 2023

5. Other assets

	Non-current		Current	
	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Prepaid expenses	-	-	13.87	21.75
Interest accrued on fixed deposits	-	-	3.56	2.70
Total	**-**	**-**	**17.43**	**24.45**

5(a) Deferred Tax Assets

	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Deferred tax asset on timing differences		
On depreciation	464.36	579.37
Total	**464.36**	**579.37**

6. Inventories

	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Stores, Spares and Fuel	428.31	715.37
Goods in Transit	-	13.68
Total	**428.31**	**729.05**

7(a). Equity Share capital

	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Authorised shares (No. millions)		
2,500 (31st March 2022: 2,500) Equity Shares of Rs.2/- each	**5,000.00**	**5,000.00**
Issued , subscribed and fully paid -up Equity shares (No. in millions)		
Equity Shares		
36.88 (31st March 2022: 36.88) equity shares of Rs.2/- each	73.75	73.75
0.85 (31st March 2022: 0.85) equity shares of Rs.2/- each issued against conversion of foreign currency convertible bonds	1.70	1.70
0.16 (31st March 2022: 0.16) equity shares of Rs.2/- each issued against employee stock option scheme	0.33	0.33
16.47 (31st March 2022: 16.47) equity shares of Rs.2/- each issued against qualified institutional placement	32.94	32.94
4.00 (31st March 2022:4.00) equity shares of Rs. 2/- each issued against conversion of share warrants alloted on a preferential basis	8.00	8.00
0.01 (31st March 2022: 0.01) Shares Forfeited -equity shares at Re 1/- each	0.01	0.01
	116.73	**116.73**

Notes to IND AS Financial Statements for the year ended 31st March 2023

Reconciliation of the shares oustanding at the beginning and at the end of the reporting period

Equity shares of Rs 2 each

	31st March 2023		31st March 2022	
	No. millions	Rs. millions	No. millions	Rs.millions
At the beginning of the period	58.36	116.73	58.36	116.73
Issued during the period	-	-	-	-
Outstanding at the end of the period	**58.36**	**116.73**	**58.36**	**116.73**

Terms / rights attached to equity shares

The Company has only one class of equity shares having a face value of Rs.2 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the period of 5 years immediately preceding the balance sheet date;

- The Company issued no shares without payment being realized in cash.
- Allotted no Bonus Shares
- No Shares have been bought back

Shares reserved for issue under Options

Maximum number of options that may be granted under the scheme is 1.843 million equity shares of Rs.2 each. Options granted during the year-Nil (up to 31st March 2022: 1.843 Million equity shares of Rs.2 each)-Options lapsed during the year 0.10 Million (up to 31st March 2022: 0.331 million equity shares of Rs.2 each)-Options exercised during the year- NIL (up to 31st March 2022: 0.160 million equity shares of Rs.2 each)-Options outstanding at the end of year 0.543 Million equity shares of Rs.2 each (up to 31st March 2022: 1.352 million equity shares of Rs.2 each)

Details of shareholders holding more than 5% shares in the Company

	31st March 2023		31st March 2022	
	No. millions	% holding in the class	No. millions	% holding in the class
Equity shares of Rs.2 each fully paid				
Reji Abraham	5.63	9.64%	5.63	9.64%
Deepa Reji Abraham	4.04	6.92%	4.04	6.92%
India Offshore Inc	8.33	14.27%	8.33	14.27%
Aban Investments Private Limited	5.65	9.68%	5.65	9.68%
	23.65	**40.51%**	**23.65**	**40.51%**

As per the records of the company, including its register of shareholders/members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Notes to IND AS Financial Statements for the year ended 31st March 2023

7 (b). Other equity

	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Capital Reserve as per last Balance Sheet	**0.03**	**0.03**
Securities Premium Account		
Balance as per last Balance Sheet	17,765.80	17,765.80
	17,765.80	**17,765.80**
Investment Allowance Reserve-utilised as per last Balance Sheet	**52.40**	**52.40**
Capital Redemption Reserve		
Balance as per last Balance Sheet	2,810.00	2,810.00
	2,810.00	**2,810.00**
General Reserve		
Balance as per last Balance Sheet	1,479.79	1,479.79
	1,479.79	**1,479.79**
Surplus/(deficit) in the statement of profit and loss		
Balance as per last Balance Sheet	(29,873.43)	(28,819.63)
Loss for the year	(1,149.92)	(1,057.41)
Expected return on Plan assets & Net Actuarial gain/(loss) recognised during the year through other comprehensive income	(7.57)	3.61
Net Surplus/(deficit) in the statement of profit and loss	**(31,030.92)**	**(29,873.43)**
Total Other Equity	**(8,922.90)**	**(7,765.41)**

Notes to IND AS Financial Statements for the year ended 31st March 2023

8 (a). Borrowings

	Non-current maturities		Current maturities	
	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Term loans				
Foreign currency term loans from banks (secured)	-	-	3,735.27	3,430.99
Rupee term loans from banks (secured)	-	-	-	1,163.87
Rupee term loans from banks (unsecured)	-	-	191.92	191.92
Other loans				
Redeemable Preference Shares(unsecured)	-	-	2,810.00	2,810.00
	-	**-**	**6,737.19**	**7,596.78**
The above amount includes				
Secured borrowings	-	-	3,735.27	4,594.86
Unsecured borrowings	-	-	3,001.92	3,001.92
	-	**-**	**6,737.19**	**7,596.78**

Particulars	Maturity Date	Terms of repayment	Coupon/ Interest rate	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs. millions
Secured					
(a) Foreign currency loan (USD)	2018-2019	Loans recalled and payable on demand	6 months LIBOR + 6%	3,735.27	3,430.99
(b)Rupee term loans from banks	2018-2019	Loans recalled and payable on demand	13.18%	-	1,163.87
Unsecured					
(c) Rupee term loan from banks	2018-2019	Loans recalled and payable on demand	2.5% to 3%	191.92	191.92
(d) Non Convertible Cumulative Redeemable Preference shares	2014-2016	Overdue for repayment	12% *	2,810.00	2,810.00
Total borrowings				**6,737.19**	**7,596.78**

** Includes penal interest @ 2% p.a.*

1. Loans under (a) above are secured by second pari-passu charge on specific offshore drilling rigs owned by foreign subsidiaries of and first mortgage on windmill lands owned by the Company. The Loan is under default for a period of 6 years.
2. For Loan under (b), the Company entered into an one-time settlement (OTS) with the lender bank bank during the financial year 2022-23 and discharged the same
3. Loans under (c) is Unsecured and is under default for a period of 6 years.
4. As per IND AS, the Preference Share capital is grouped under borrowings and is under default for a period of 6 to 8 years.
5. Since all term loans have been recalled by the lenders, the entire term loans are presented as current liabilities as at 31.03.2023.

i. All the secured lenders of term loans (banks) have issued recall notices in the earlier years. Also one of the secured lenders has issued notice dated 7th May 2018 under section 13(2) of Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest Act , 2002 (SARFAESI Act) through the security trustee calling upon the company to pay the outstanding amount with interest in 60 days from the date of notice, failing which the bank would exercise the powers under section 13(4) of SARFAESI Act. The lender has since taken possession of the Land and is in the process of being auctioned.

Notes to IND AS Financial Statements for the year ended 31st March 2023

ii. The Company has not redeemed its Non-Convertible Cumulative Redeemable Preference Shares on due dates. Two of the preference shareholders of the Company has filed a commercial suit before the Honourable High Court of Judicature at Bombay and these cases are pending before the Honourable High Court. One of the preference shareholder had filed petitions under section 55 of the Companies Act, 2013 / under section 80 of the Companies Act, 1956 before the Honourable National Company Law Appellate Tribunal ("NCLAT"), Delhi for non-redemption of Non-Convertible Cumulative Redeemable Preference Shares. NCLAT remitted the case back to National Company Law Tribunal ("NCLT") , Chennai for fresh consideration. Against this order, the Company had filed an appeal in Supreme Court. This appeal has been dismissed by Supreme Court.

iii. One of the Preference shareholders has filed a class action suit against the Company for Non-redemption of preference shares before National Company Law Tribunal New Delhi and the same is pending for hearing as at the year end.

8 (b) Other financial liabilities

	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs. millions
Interest accrued and due on borrowings	1,887.21	2,385.13
Investor Education and Protection Fund will be credited by following amounts (as and when due)		
- Unclaimed dividends	-	4.04
Dividend accrued and due on Redeemable preference share (including penal interest)	2,617.94	2,280.74
Provision for tax on Redeemable preference share dividend	345.87	345.87
Others	636.34	-
	5,487.36	**5,015.78**

9. Employee benefit obligations

	Long- Term		Short-term	
	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Provision for employee benefits				
Provision for Provident Fund	-	-	0.33	0.33
Provision for Gratuity	-	-	8.75	-
	-	**-**	**9.08**	**0.33**

Notes to IND AS Financial Statements for the year ended 31st March 2023

10 Trade payables

	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Trade payables	**3,038.12**	**3015.66**
Others	-	-
	3,038.12	**3,015.66**

Ageing for trade payables outstanding as at March 31, 2023 is as follows :

Particulars	**Outstanding for following periods from due date of payment**				**Total**
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	46.01	26.17	-	2,965.94	3,038.12
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
					3,038.12

11 Other Current liabilities

	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Advance from Customers - Related	299.38	506.33
Others	72.61	-
Tax deducted at Source payable	2.31	3.39
	374.30	**509.72**

12. Revenue from operations

	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs.millions
Revenue from drilling and drilling related contracts	759.94	813.54
	759.94	**813.54**

Notes to IND AS Financial Statements for the year ended 31st March 2023

13. Other income

	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs.millions
Rental income	6.80	6.06
Interest income on		
- Bank deposits	0.95	0.91
- Inter Corporate Deposits	41.18	41.18
Net gain on sale of Tangible assets	0.56	2.09
Provision no longer required written back	50.16	27.09
Miscellaneous Income	49.37	64.55
	149.02	**141.88**

14. Consumption of Stores, Spares, power and Fuel

	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs.millions
Consumption of stores and spares	6.31	2.24
Power and Fuel	24.69	25.21
	31.00	**27.45**

15. Employee Benefit Expense

	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs.millions
Salaries,wages and bonus	76.60	91.40
Contribution to provident fund	3.31	3.77
Gratuity expense (note 21)	1.18	1.60
Post-employment pension benefits	6.03	5.80
Staff welfare expenses	4.60	4.35
	91.72	**106.92**

16. Finance costs

	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs.millions
Interest on borrowings	354.31	456.08
Dividend on Redeemable Preference Shares	337.20	337.20
	691.51	**793.28**

Notes to IND AS Financial Statements for the year ended 31st March 2023

17. Other expenses

	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs.millions
Freight and Forwarding Cost	14.05	4.66
Rent	4.97	1.67
Rates and taxes	142.37	64.88
Rental charges for Machinery	79.90	8.93
Insurance	27.21	43.30
Repairs and maintenance:		
-Plant and machinery	0.10	5.36
-Buildings	3.02	1.42
-Others	2.37	3.64
Advertising and sales promotion	0.73	0.48
Travelling ,conveyance and Transportation	9.50	8.19
Communication Costs	5.88	4.83
Printing and Stationery	1.28	0.83
Professional and Consultancy Expenses	81.13	72.06
Catering Expenses	5.56	4.68
Directors' Sitting Fees	1.04	1.52
As Auditor		
- Audit fee	2.30	3.50
- Tax audit fee	0.40	1.10
- Limited review	1.35	1.40
Exchange Difference(net)	311.44	134.68
Miscellaneous expenses	4.40	17.78
	699.00	**384.91**

18. Fair value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The group categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability. Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or company's assumptions about pricing by market participants.

Financial Instruments by category Rs. Millions

Particulars	31st March 2023			31st March 2022		
	FVPL	FVOCI	Amortized Cost	FVPL	FVOCI	Amortized Cost
Financial Assets						
Investments- Equity Instruments	-	-	128.14	-	-	128.55
Trade Receivables	-	-	2,885.85	-	-	3,110.31
Loans	-	-	848.55	-	-	821.62
Cash and Bank Balances	-	-	15.50	-	-	28.35
Other Financial assets	-	-	1,181.69	-	-	1,134.10
Total	**-**	**-**	**5,059.72**	**-**	**-**	**5,222.93**

Particulars	31st March 2023			31st March 2022		
	FVPL	FVOCI	Amortized Cost	FVPL	FVOCI	Amortized Cost
Financial Liabilities						
Borrowings & other financial liabilities	-	-	12,224.55	-	-	12,612.56
Trade payables	-	-	3,046.87	-	-	3,015.66
Total	**-**	**-**	**15,271.42**	**-**	**-**	**15,628.22**

Fair value of financial assets and liabilities measured at amortised cost

Rs. Millions

Particulars	31st March 2023		31st March 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Non current financial assets				
Loans	295.00	295.00	294.39	294.39
Other financial assets	933.75	933.75	198.37	198.37
Total	**1,228.75**	**1,228.75**	**492.76**	**492.76**
Non current Financial Liabilities				
Borrowings	-	-	-	-
Total	**-**	**-**	**-**	**-**

19. Financial risk factors

The Company's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management strategy seeks to minimize adverse effect from the unpredictability of financial markets on the Company's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Company. They review and agree on the policies for managing each of these risks and are summarized as follows:

Foreign exchange risk

The Company is exposed to foreign exchange risk principally via :

- Transactional exposure that arises from the sales / receivables denominated in a currency other than the functional currency of the Company.

Trade and other Receivables

Rs. Millions

Currency	2022-23	2021-22
USD	2,936.12	2,327.83
EURO	-	259.58

- Transactional exposure that arises from the cost of goods sold / payables denominated in a currency other than the functional currency of the Company.

Payables

Rs. Millions

Currency	2022-23	2021-22
USD	-	0.16
AED	-	0.13

Notes to IND AS Financial Statements for the year ended 31st March 2023

- Foreign currency exposure that arises from foreign currency term loans / Working Capital loans (including interest payable) denominated in a currency other than the functional currency of the Company.

Loans including interest payable

Rs. Millions

Currency	2022-23	2021-22
USD	5,569.94	4,845.04

- Cash and cash equivalents held in foreign currency.

Cash & Cash equivalents

Rs. Millions

Currency	2022-23	2021-22
USD	3.05	3.96
AED	5.40	5.59

All these unhedged exposures are naturally hedged by future foreign currency earnings.

The impact on the Company financial statements from foreign currency volatility is shown in the sensitivity analysis.

Sensitivity analysis

The sensitivity analysis reflects the impact on income and equity due to financial instruments held at the balance sheet date. It does not reflect any change in sales or costs that may result from changing interest or exchange rates.

The following table shows the illustrative effect on the Income Statement and equity that would result, at the balance sheet date, from changes in currency exchange rates that are reasonably possible for major currencies where there have recently been significant movements:

Currency Table

Rs. Millions

Currency	2022-23		2021-22	
	Income Gain / (Loss)	Equity Gain / (Loss)	Income Gain / (Loss)	Equity Gain / (Loss)
5% appreciation of USD (2021: 5 %)	(131.69)	-	(125.87)	-
5% appreciation of SGD (2021: 5%)	-	-	-	-
5% appreciation of AED (2021: 5%)	-	-	(0.02)	-

The following table shows the illustrative effect on the Income Statement and equity that would result, at the balance sheet date, from changes in interest rates that are reasonably possible for term loans with floating interest where there have recently been significant movements:

Rs. Millions

	2022-23	2021-22
	Income Gain / (Loss)	Income Gain / (Loss)
Increase in 6M LIBOR by 50 basis points	(18.68)	(17.15)
Increase in rupee lending rate by 100 basis points	(1.92)	(13.56)

A decrease in interest rates and a depreciation of foreign currencies would have the opposite effect to the impact in the table above.

Credit risk

a) Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The major classes of financial assets of the Company are bank deposits, trade receivables, amount due from associated company and amounts due from subsidiary corporations. For bank deposits, the Company maintains its cash deposits if any primarily with lenders of the Company or financial institutions with high credit quality to minimize their exposure to the banks.

b) Due to the nature of the Company's operations, revenue and receivable are typically concentrated amongst a relatively small customer base of oil and gas companies. Customers are government linked based oil and gas corporations. The Company has policies in place to ensure that drilling contracts are with customers of adequate financial standing and appropriate credit history, and where necessary, certain guarantees in form of bank. The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial assets on the balance sheet.

(i) Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies. Trade receivables that are neither past due nor impaired are substantially receivables from companies with a good collection track record with the Company. Amounts due from subsidiary corporations are neither past due nor impaired.

(ii) Financial assets that are past due and/or impaired

There is no other class of financial assets that is past due and/or impaired except for trade receivables. The age analysis of trade receivables that are past due but not impaired is as follows:

Financial Assets that are due and / or impaired Rs. Millions

	2022-23	2021-22
Past due upto 6 months	0.51	669.00
Past due over 6 months	2,885.34	2,441.51

Allowance for impairment of trade receivables arise from customers that are either in financial difficulties and/or have history at default or significant delay in payments which management is of the opinion that payments are not forthcoming as at the end of financial year.

In the event that payment is doubtful, the receivables will be recommended for write off.

(c) Liquidity risk

The drilling operations of the Company require substantial investment and are dependent on its ability to finance its rig construction and acquisitions and service its bank borrowings as well as other capital and operating requirements and commitments. The Company ensures that arrangements have been made to obtain adequate funds to meet all its operating and capital obligations in the form of continuing committed credit facilities with financial institutions continuing financial support from the immediate and ultimate holding corporation to enable to meet its debts and liabilities as and when they fall due for at least 12 months from the balance sheet date.

The table below analyses the maturity profile of the Company's and the Company's financial liabilities based on contractual undiscounted cash flows at the balance sheet date.

As At 31/3/2023

Rs.millions

Non-derivative financial liabilities	Due within 1 year	Due between 1 and 2 years	Due between 2 and 3 years	Due between 3 and 4 years	Due between 4 and 5 years	Due beyond 5 years
Bank and other borrowings	5,814.40	-	-	-	-	-
Non Convertible Cumulative Redeemable preference shares	5,773.81	-	-	-	-	-

As At 31/3/2022

Rs.millions

Non-derivative financial liabilities	Due within 1 year	Due between 1 and 2 years	Due between 2 and 3 years	Due between 3 and 4 years	Due between 4 and 5 years	Due beyond 5 years
Bank and other borrowings	7,171.91	-	-	-	-	-
Non Convertible Cumulative Redeemable preference shares	5,436.61	-	-	-	-	-

Notes to IND AS Financial Statements for the year ended 31st March 2023

The above amounts of Bank and other borrowings and Non-Convertible Cumulative Redeemable Preference Shares are overdue for payments.

Capital management

The Company's objectives when managing capital are to ensure the Company's ability to continue as a going concern and to maintain an optimal capital structure by issuing or redeeming additional equity, borrowings and other instruments when necessary.

As the Company is mainly funded through external borrowings, the objectives of the Board of Directors when managing capital is to ensure that the Company continues to enjoy the use of funds from borrowings by ensuring that the Company continue to service its debt obligations in the form of interests and principal repayments on due dates in accordance with the borrowing agreements, and to ensure that they remain in compliance with the financial and non-financial covenants in relation to their borrowings.

The Company considers capital to comprise of its equity and borrowings, as follows:

Rs. Millions

Particulars	2022-23	2021-22
Total Equity	(8,806.17)	(7,648.68)
Borrowings	6,737.19	7,596.78

Fair value measurements

The carrying amounts less impairment provision of trade receivables if any and payables are assumed to approximate their fair values. The carrying amounts of current borrowings approximate their fair values.

20. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations

	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs.millions
Loss for the year	(1,149.92)	(1,057.41)
	No. millions	**No. millions**
Weighted average number of equity shares in calculating basic EPS	58.36	58.36
Effect of dilution:		
Stock options/Share Warrants Outstanding less number of shares that would have been issued at par value.	*	
Weighted average number of equity shares in calculating diluted EPS	58.36	58.36
Earning per share (basic in Rs)	(19.71)	(18.12)
Earning per share (diluted in Rs)	(19.71)	(18.12)

* Since diluted earnings per share shows higher value as compared to basic earnings when taking the options/ warrants into account, the options/warrants are anti-dilutive as at the year ended 31.03.2023 and are ignored in the calculation of diluted earnings per share as required under the Accounting Standard.

21. Gratuity and other defined benefit plans

The company operates a gratuity benefit plan which is funded with an insurance company in the form of a qualifying insurance policy.

The following table summarizes the components of net benefit expense recognized in the statement of profit and loss, the funded status and the amounts recognized in the balance sheet for such plans.

(i) Post-employment obligations-Gratuity

The amount recognized in the balance sheet and the movement in the defined benefit obligation over the year is as follows:

Notes to IND AS Financial Statements for the year ended 31st March 2023

	Ind AS 19	Projected Unit Credit Method	Projected Unit Credit Method
	Period Covered	2021-22	2022-23
1.	**Defined benefit obligation at beginning of period**	**31-03-2022**	**31-03-2023**
2.	Service cost	8,27,00,986	6,41,94,485
	a. Current service cost		
	b. Past service cost	16,21,732	14,84,406
	c. (Gain) / loss on settlements	0	0
3.	Interest expenses	0	0
4.	Cash flows	46,63,292	41,30,368
	a. Benefit payments from plan		
	b. Benefit payments from employer	(2,34,44,823)	-76,17,968
	c. Settlement payments from plan	0	0
	d.Settlement payments from employer	0	0
5.	Remeasurements	0	0
	a. Effect of changes in demographic assumptions		
	b. Effect of changes in financial assumptions	0	7,679
	c. Effect of experience adjustments	7,72,251	6,85,993
6.	Transfer In /Out	(21,18,953)	5,91,189
	a. Transfer In		
	b. Transfer out	0	0
7.	Defined benefit obligation at end of period	0	0
		6,41,94,485	6,34,76,152
B.	**Change in fair value of plan assets**	**31-03-2022**	**31-03-2023**
1.	Fair value of plan assets at beginning of period	7,38,46,998	6,88,51,904
2.	Interest income	46,87,659	44,36,931
3.	Cash flows		
	a. Total employer contributions		
	(i) Employer contributions	1,15,00,000	15,00,000
	(ii) Employer direct benefit payments	0	0
	(iii) Employer direct settlement payments	0	0
	b. Participant contributions	0	0
	c. Benefit payments from plan assets	-2,34,44,823	-76,17,968
	d. Benefit payments from employer	0	0
	e. Settlement payments from plan assets	0	0
	f. Settlement payments from employer	0	0
4.	Remeasurements		
	a. Return on plan assets (excluding interest income)	22,62,070	-62,87,940
5.	Transfer In /Out		
	a. Transfer In	0	0
	b. Transfer out	0	0
6.	Fair value of plan assets at end of period	6,88,51,904	6,08,82,927
C.	**Amounts recognized in the Balance Sheet**	**31-03-2022**	**31-03-2023**
1.	Defined benefit obligation	6,41,94,485	6,34,76,152
2.	Fair value of plan assets	-6,88,51,904	-6,08,82,927
3.	Funded status	-46,57,419	25,93,225
4.	Effect of asset ceiling	0	0
5.	Net defined benefit liability (asset)	-46,57,419	25,93,225
D.	**Components of defined benefit cost**	**31-03-2022**	**31-03-2023**
1.	Service cost		
	a. Current service cost	16,21,732	14,84,406
	b. Past service cost	0	0
	c. (Gain) / loss on settlements	0	0
	d. Total service cost	16,21,732	14,84,406
2.	Net interest cost		
	a. Interest expense on DBO	46,63,292	41,30,368
	b. Interest (income) on plan assets	46,87,659	44,36,931
	c. Interest expense on effect of (asset ceiling)	0	0
	d. Total net interest cost	-24,367	-3,06,563
3.	Remeasurements (recognized in OCI)		
	a. Effect of changes in demographic assumptions	0	7,679
	b. Effect of changes in financial assumptions	7,72,251	6,85,993
	c. Effect of experience adjustments	(21,18,953)	5,91,189
	d. (Return) on plan assets (excluding interest income)	22,62,070	(62,87,940)
	e. Changes in asset ceiling (excluding interest income)	0	0
	f. Total remeasurements included in OCI	(36,08,772)	75,72,801
4.	Total defined benefit cost recognized in P&L and OCI	(20,11,407)	87,50,644

Notes to IND AS Financial Statements for the year ended 31st March 2023

	Ind AS 19	Projected Unit Credit Method	Projected Unit Credit Method
E.	**Re-measurement**	**31-03-2022**	**31-03-2023**
	a. Actuarial Loss/(Gain) on DBO	(13,46,702)	12,84,861
	b. Returns above Interest Income	22,62,070	(62,87,940)
	c. Change in Asset ceiling	0	0
	Total Re-measurements (OCI)	(36,08,772)	75,72,801
F.	**Employer Expense (P&L)**	**31-03-2022**	**31-03-2023**
	a. Current Service Cost	16,21,732	14,84,406
	b. Interest Cost on net DBO	(24,367)	(3,06,563)
	c. Past Service Cost	0	0
	d. Total P&L Expenses	15,97,365	11,77,843
G.	**Net defined benefit liability (asset) reconciliation**	**31-03-2022**	**31-03-2023**
1.	Net defined benefit liability (asset)	88,53,988	(46,57,419)
2.	Defined benefit cost included in P&L	15,97,365	11,77,843
3.	Total remeasurements included in OCI	(36,08,772)	75,72,801
4.	a. Employer contributions	(1,15,00,000)	(15,00,000)
	b. Employer direct benefit payments	0	0
	c. Employer direct settlement payments	0	0
5.	Net transfer	0	0
6.	Net defined benefit liability (asset) as of end of period	(46,57,419)	25,93,225
H.	**Reconciliation of OCI (Re-measurment)**	**31-03-2022**	**31-03-2023**
1.	Recognised in OCI at the beginning of period	(2,03,73,498)	(2,39,82,270)
2.	Recognised in OCI during the period	(36,08,772)	75,72,801
3.	Recognised in OCI at the end of the period	(2,39,82,270)	-(1,64,09,469)
I.	**Sensitivity analysis - DBO end of Period**	**31-03-2022**	**31-03-2023**
1.	Discount rate +100 basis points	6,31,34,661	2,03,61,469
2.	Discount rate -100 basis points	6,53,50,088	2,23,61,931
3.	Salary Increase Rate +1%	6,52,63,021	2,22,67,938
4.	Salary Increase Rate -1%	6,31,95,653	2,04,31,133
5.	Attrition Rate +1%	6,42,36,533	2,13,06,359
6.	Attrition Rate -1%	6,41,52,404	2,13,37,761
J.	**Significant actuarial assumptions**	**31-03-2022**	**31-03-2023**
1.	Discount rate Current Year	6.84%	7.15%
2.	Discount rate Previous Year	6.57%	6.84%
3.	Salary increase rate	4.0%	5.0%
4.	Attrition Rate	4.0%	5.0%
5.	Retirement Age	60	60
6.	Pre-retirement mortality	IALM(2012-14) Ultimate	IALM(2012-14) Ultimate
7.	Disability	Nil	Nil
K.	**Data**	**31-03-2022**	**31-03-2023**
1.	No.	42	35
2.	Avg. Age (yrs.)	51	51
3.	Avg. Past Service (yrs.)	18	19
4.	Avg. Sal. Mly (Rs.)	60,446	68,903
5.	Future Service (yrs.)	9	9
6.	Weighted average duration of DBO	6	6
L.	**Defined benefit obligation at end of period**	**31-03-2022**	**31-03-2023**
	Current Obligation	4,39,67,540	4,34,91,220
	Non-Current Obligation	2,02,26,945	1,99,84,932
	Total	6,41,94,485	6,34,76,152
M.	**Expected cash flows for following year**	**31-03-2022**	**31-03-2023**
1.	Expected employer contributions / Addl. Provision Next Year	4,08,79,802	4,06,22,497
2.	Expected total benefit payments		
	Year 1	22,13,782	23,95,562
	Year 2	20,65,618	23,17,645
	Year 3	20,70,882	56,60,812
	Year 4	51,94,058	17,01,783
	Year 5	19,10,571	18,26,045
	Next 5 years	83,05,882	67,58,768

SUMMARY

	Assets / Liabilities	31-03-2022	31-03-2023
1.	Defined benefit obligation at end of period	6,41,94,485	6,34,76,152
2.	Fair value of plan assets at end of period	6,88,51,904	6,08,82,927
3.	Net defined benefit liability (asset)	(46,57,419)	25,93,225
4.	Defined benefit cost included in P&L	15,97,365	11,77,843
5.	Total remeasurements included in OCI	(36,08,772)	75,72,801
6.	Total defined benefit cost recognized in P&L and OCI	(20,11,407)	87,50,644

Notes to IND AS Financial Statements for the year ended 31st March 2023

22. Employee stock option scheme

The Company has instituted Employee Stock Option Scheme-2005 (ESOS) duly approved by the shareholders in the extra-ordinary general meeting of the company held on 23rd April 2005. As per the scheme, the compensation committee of the board evaluates the performance and other criteria of employees and approves the grant of option. These options vest with employees over a specified period subject to fulfillment of certain conditions. Upon vesting, employees are eligible to apply and secure allotment of company's equity share at the prevailing market price on the date of the grant of option.

The Securities Exchange Board of India (SEBI) issued the Employee Stock Option Scheme and Employees Stock Purchase Scheme guidelines in 1999, applicable to stock option schemes on or after 19th June 1999. Under these guidelines, the excess of the market price of the underlying equity shares as of the date of the grant over the exercise price of the option is to be recognized and amortized on a straight line basis over the vesting period.

The Company has not recognized any deferred compensation expenses, as the exercise price was equal to the market value (as defined by SEBI) of the underlying equity shares on the grant date.

The details of option granted are given below:

Maximum number of options that may be granted under the scheme is 1.843 million equity shares of Rs.2 each. Options granted during the year-Nil (up to 31st March 2022: 1.843 Million equity shares of Rs.2 each)-Options lapsed during the year 0.10 Million (up to 31st March 2022: 0.331 million equity shares of Rs.2 each)-Options exercised during the year- NIL (up to 31st March 2022: 0.160 million equity shares of Rs.2 each)-Options outstanding at the end of year 0.543 Million equity shares of Rs.2 each (up to 31st March 2022: 1.352 million equity shares of Rs.2 each).

23. Interest in joint venture/associate

The company's interest, in joint venture entity/associate is as follows:

Name of the company	Country of incorporation	Nature of Interest	Proportion of ownership interest 31st March 2023	Proportion of ownership interest 31st March 2022
Frontier Offshore Exploration (India) Limited	India	Joint Venture	25%	25%
Aban Drilling Services Private Limited	India	Associate	49%	49%

The company has ceased to have joint control over Frontier Offshore Exploration (India) Limited and has also provided for diminution in the value of long term investment considering the state of affairs of the joint venture company.

The Management of the Company determined that it does not have control on "Aban Drilling Services Private Limited"

24. Segment information

The Company is engaged primarily in the business of offshore drilling services. The wind energy division of the Company does not meet the quantitative threshold as per IND AS 108.Accordingly there is no requirement of segment reporting as per the said Accounting Standard.

25.(a). Related Party Disclosures

Names of related parties and related party relationship

Related parties where control exists

A. Subsidiary companies

Aban Energies Limited, India (wholly owned subsidiary)

Aban Holdings Pte Limited, Singapore (wholly owned foreign subsidiary)

B. Subsidiaries of Aban Holdings Pte Limited, Singapore

Aban Singapore Pte Ltd, Singapore

Aban 7 Pte Ltd, Singapore

Aban 8 Pte Ltd, Singapore

Aban Abraham Pte Ltd, Singapore

Aban Pearl Pte Ltd, Singapore (Struck off from ACRA Singapore on 8th May 2023)

Aban International Norway As, Norway

Deep Drilling Invest Pte Ltd, Singapore

Deep Drilling 1 Pte Ltd, Singapore –Merged with Deep Drilling Invest Pte Ltd *

Deep Drilling 2 Pte Ltd, Singapore –Merged with Deep Drilling Invest Pte Ltd *

Deep Drilling 3 Pte Ltd, Singapore –Merged with Deep Drilling Invest Pte Ltd *

Deep Drilling 4 Pte Ltd, Singapore– Merged with Deep Drilling Invest Pte Ltd *

Deep Drilling 5 Pte Ltd, Singapore– Merged with Deep Drilling Invest Pte Ltd *

Deep Drilling 6 Pte Ltd, Singapore

Deep Drilling 7 Pte Ltd, Singapore–Merged with Deep Drilling Invest Pte Ltd *

Deep Drilling 8 Pte Ltd, Singapore–Merged with Deep Drilling Invest Pte Ltd *

* Merger effective date 1st December 2022

Deep Driller Mexico S de RL de CV, Mexico

Aban Labuan Pvt Ltd, Labuan,Malaysia

Caldera Petroleum (UK) Limited

C. Other related parties

a. Key Management personnel

(i) Mr. Reji Abraham — Managing Director

(ii) Mr. C. P. Gopalkrishnan — Dy. Managing Director and Chief Financial Officer

b. Relative of Key Management Personnel – Mrs. Deepa Reji Abraham - Director

Related Party transactions during the year

Nature of transaction	Subsidiary companies		Key Management Personnel/ Relative	
	31st March 2023 Rs. millions	31st March 2022 Rs. millions	31st March 2023 Rs. millions	31st March 2022 Rs. millions
1. Machinery maintenance charges paid	0.94	0.94	-	-
2. Rent paid	-	-	4.95	4.95
3. Advances recoverable/(payable)	(4.04)	(9.48)		
4. Bareboat charter and support service income	828.70	851.04	-	-
5. Amount oustanding as at 31st March 2023				
- Receivable	26.50	15.79		
-Payable	299.38	506.33	-	-

Notes to IND AS Financial Statements for the year ended 31st March 2023

26. Contingent Liabilities

	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Corporate guarantees given by the company to banks - on behalf of subsidiaries of company's wholly owned foreign subsidiary	-	542.85

Claims against the company not acknowledged as debt:

As at 31st March 2023:

i) In respect of civil suits against the Company – Rs. 94.50 Million (Previous Year Rs. 94.50 Million)

(ii) In respect of Admiralty suit against the Company – Rs. NIL (Previous Year Rs.130 Million)

(ii) In respect of Income Tax Matters :

Income Tax dues relating to the period 2002 – 2006 amounting to Rs. 628.25 million (Previous Year – Rs.628.25 million) pending before the Honorable High Court of Madras;

Income Tax dues relating to the period 2006 – 2008 amounting to Rs. 719.68 million (Previous Year – Rs.719.68 million) pending before the Honorable High Court of Madras.

Income Tax dues relating to the period 2008 – 2009 amounting to Rs.447.72 million (Previous Year – Rs.371.30 million) pending before the Honorable High Court of Madras.

Income Tax dues relating to the period 2009 – 2010 amounting to Rs. 688.70 million (Previous Year – Rs.195.32 million) pending before the Honorable High Court of Madras.

Income Tax dues relating to the period 2009 – 2010 amounting to Rs. 702.40 million (Previous Year – Rs.702.40 Million). Remitted back to the Deputy Commissioner by the Income tax Appellate Tribunal, Chennai for verification

Income tax dues relating to the period 2010-2011 amounting to Rs. 1,907.94 Million (Previous Year – Rs.1, 117.10 Million) pending before the Honorable High Court of Madras.

Income tax dues relating to the period 2010-2011 amounting to Rs. 298.88 Million (Previous Year – Rs.298.88 Million) pending before the Income Tax Appellate Tribunal, Chennai.

Income tax dues relating to the period 2011-2012 amounting to Rs. 854.33 Million (Previous Year – Rs.854.33 Million) pending before the Honorable High Court of Madras.

Income tax dues relating to the period 2012-2014 amounting to Rs. 2571.59 Million (Previous Year – Rs. 2571.59 Million) pending before the Income Tax Appellate Tribunal, Chennai.

Income tax dues relating to the period 2013-2014 amounting to Rs. 29.64 Million (Previous Year – Rs. 29.64 Million) pending before the Commissioner of Income Tax (Appeals).

Income tax dues relating to the period 2014-2015 amounting to Rs. 309.57 Million (Previous Year – Rs. 846.82 Million) pending before the Income Tax Appellate Tribunal, Chennai.

Income tax dues relating to the period 2014-2015 amounting to Rs. 2.59 Million (Previous Year – Rs. 2.59 Million) pending before the Commissioner of Income Tax (Appeals), Chennai.

Income tax dues relating to the period 2015-16 amounting to Rs.541.92 Million (Previous Year – Rs. 541.92 Million). Remitted back to the Deputy Commissioner by the Income tax Appellate Tribunal, Chennai for verification.

Income tax dues relating to the period 2016-2017 amounting to Rs. 42.10 Million (Previous Year – Rs. 8.93 Million) pending before the Income Tax Appellate Tribunal, Chennai.

Income tax dues relating to the period 2018-19 amounting to Rs 1.20 Million (Previous Year – Rs 1.20 Million) pending before the Deputy Commissioner of Income-tax, Chennai

(iv) In respect of Service Tax Matters:

Service Tax dues relating to the year 2006-2011 amounting to Rs. 78.73 Million (Previous Year Rs. 78.73 Million) pending before the CESTAT,Chennai.

Service Tax dues relating to the period 2011 – 2012 amounting to Rs. 18.94 Million (Previous Year -Rs.18.94 Million) pending before the CESTAT ,Chennai.

Service Tax Dues relating to the period FY 2006-07 amounting to Rs.46.76 Million (Previous Year -Rs. 46.76 Million) Pending before the Honorable Supreme Court, New Delhi.

Service Tax dues relating to the period 2012 – 2014 amounting to Rs. 36.78 Million (Previous Year – Rs. 36.78 Million) pending before the CESTAT ,Chennai.

Service Tax dues relating to the period 2014 – 2015 amounting to Rs. 79.80 Million (Previous Year – Rs. 79.80 Million) pending before the CESTAT ,Chennai.

Service Tax dues relating to the period 2005 – 2011 amounting to Rs. 37.31 Million (Previous Year – Rs. 37.31 Million) pending before the CESTAT ,Chennai.

Service Tax dues relating to the period 2012 – 2014 amounting to Rs. 236.49 Million (Previous Year – Rs. 236.49 Million) pending before the CESTAT ,Chennai.

Service Tax dues relating to the period 2015 – 2016 amounting to Rs. 0.60 Million (Previous Year – Rs. 0.60 Million) pending before the CESTAT ,Chennai

Service Tax dues relating to the period 2015 – 2017 amounting to Rs. 223.02 Million (Previous Year – Rs. 223.02 Million) pending before the CESTAT ,Chennai

Service Tax dues relating to the period 2008 – 2010 amounting to Rs.605.75 Million (Previous Year – Rs. 605.75 Million). The CESTAT Mumbai disposed the matter in favour of the Company. However, the Department has filed an appeal to the Supreme Court and is pending to be heard.

Service Tax dues relating to the period 2009 – 2012 amounting to Rs. 166.89 Million (Previous Year – Rs. 166.89 Million) pending before the CESTAT,Mumbai.

Service Tax dues relating to the period 2013-2015 amounting to Rs. 6.31 Million (Previous Year Rs. 6.31 Million) pending before the CESTAT, Mumbai

Service Tax dues relating to the period 2009-2016 amounting to Rs.NIL (Previous Year – Rs. 495.92 Million) The Honorable High Court of Bombay ruled in favour of the Company.

Service Tax dues relating to the period 2017-2018 amounting to Rs. 49.96 Million (Previous Year – Rs. 49.96 Million) pending before the CESTAT, Chennai

Goods and services tax dues relating to the period 2017-2018 amounting to Rs.13.92 Million (Previous Year – Rs. 13.92 Million) pending before the Appellate Authority.

Notes to IND AS Financial Statements for the year ended 31st March 2023

(v) In Respect of Sales Tax / Value Added Tax:

Sales Tax dues for the period 2010-11 amounting to Rs. 984.91 Million (Previous Year – Rs. 984.91 Million) pending before Tribunal

Sales Tax dues for the period 2012-13 amounting to Rs. 459.75 Million (Previous Year – Rs. 459.75 Million) pending before Tribunal.

Sales Tax dues for the period 2013-14 amounting to Rs. 587.29 Million (Previous Year Rs.587.29 Million) pending before the Appellate Authority.

Sales Tax dues for the period 2014-15 amounting to Rs. 667.03 Million (Previous Year – Rs. 667.03 Million). Writ Petition has been filed before the Honorable High Court of Bombay and is pending to be heard..

Sales Tax dues for the period 2015-16 amounting to Rs. 949.23 Million (Previous Year – Rs. 949.23 Million).Writ Petition has been filed before the Honorable High Court of Bombay and is pending to be heard.

Sales Tax dues for the period 2016-17 amounting to Rs. 846.00 Million (Previous Year – Rs. 846.00 Million) Writ Petition has been filed before the Honorable High Court of Bombay and is pending to be heard..

Sales Tax dues for the period 2017-18 amounting to Rs. 155.68 Million (Previous Year – Rs.155.68 Million) pending before the Honorable High Court of Bombay.

(vi) In respect of Customs duty Matter:

Customs Duty dues relating to the period 2015-16 amounting to Rs. 107.90 Million (Previous Year – Rs. 107.90 Million) pending before CESTAT, Mumbai

27. Capital and Other Commitments

	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Capital and Other commitments not provided for	-	-

28.(i) Loans and advances in the nature of loans given to subsidiaries (disclosures pursuant to Regulation 34(3) and 53(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations,2015

The Company granted no loans and advances in the nature of loans to its subsidiaries.

(ii) Investment by the Loanee in the shares of the Company - None

29. Generation of Electricity from wind power (net)

Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs.millions	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs.millions
1.04	2.87	2.57	7.13

Notes to IND AS Financial Statements for the year ended 31st March 2023

30. Exceptional Items:

Exceptional Items represents waiver of accrued and unpaid interest under a One-time Settlement Agreement (OTS) with a secured lender in respect of a term loan availed from it. The amount to be paid as agreed with the lender under the OTS has been discharged by the Company.

31. Due to micro and small enterprises

Total outstanding dues of Micro and Small Enterprises included in Creditors

Principal amount due remaining unpaid to Micro and Small Enterprises	NIL
Interest remaining upaid to Micro and Small Enterprises	NIL
Interest due and payable to Micro and Small Enterprises	NIL

The information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

32. Details of loan given, Investments made and guarantees given covered u/s 186(4) of the Companies Act, 2013

(i) Loans given to related parties and investments made in them are disclosed under the respective heads in the financial statements.

(ii) Corporate guarantees given by the Company to:

(a) banks in respect of loans availed by the wholly owned foreign subsidiary and its step down subsidiaries as at 31st March 2023: NIL (31st March 2022: Rs.542.85 million).

33. Going Concern:

In preparing the financial statements, the Board of Directors have considered the operations of the Company as going concern notwithstanding that the Company incurred a net loss of Rs.1,149.92 Million (Previous Year: Rs.1,057.41 Million) for the financial year ended 31st March 2023, and as at that date, the Company is in net current liabilities position of Rs. 11,497.47 Million (Previous Year: Rs.10,783.50 Million). The Company is also in net liabilities position of Rs.8,806.17 Million (Previous Year: Rs.7,648.68 Million) as at 31st March 2023.

An impairment loss on the rigs amounting to Rs. 209.09 Million (2022: Rs.164.45 Million) was made during the financial year ended 31st March 2023. In addition, as disclosed in Note 8(a) to the financial statements, the Company have defaulted on payment of their borrowings which have fallen due and have breached the covenants of their borrowings which give the lenders the right to demand the related borrowings be due and payable immediately. The lenders have issued recall notices to the Company and all such borrowings with original repayment terms beyond 12 months from the balance sheet date have been reclassified as current liabilities. As of the date of this report, the Company is in discussions with its lenders to obtain approval for and implementation of an appropriate debt resolution plan. However, the Company will continue to be in operation in the foreseeable future.

The Management believes that the use of the going concern assumption on the preparation of the financial statements of the Company for the financial year ended 31st March 2023 is still appropriate after taking into consideration of the above actions and measures.

Notes to IND AS Financial Statements for the year ended 31st March 2023

34. Discontinued Business:

The Company discontinued its wind power operations during the year, consequent upon its land being possessed by a secured lender for an auction sale. The land is in possession of the lender as at the year end. The land has been classified as Non-current 'Asset held for sale'. As at 31st March 2023 the carrying amount of assets is INR 2.45 Mio and liabilities is INR Nil relating to the said wind power operations.

The following statement shows revenue and expenses of the continuing and discontinuing operations:

Particulars	2023	2023	Total	2022	2022	Total
	Continuing Operations	Discontinuing operations		Continuing Operations	Discontinuing operations	
Revenue (including Exceptional Items)	1,791.92	2.87	1,794.79	1,054.24	7.12	1,061.36
Expenses	2,918.31	26.40	2,944.71	2,111.26	7.51	2,118.77
Loss for the year	(1,126.39)	(23.53)	(1,149.92)	(1,057.02)	(0.39)	(1,057.41)
Earnings per share	(19.31)	(0.40)	(19.71)	(18.11)	(0.01)	(18.12)

35. Ratios

Ratio	Numerator	Denominator	Current Year	Previous Year
Current Ratio (in times)	Total Current Assets	Total Current Liabilities	0.27	0.33
Debt-Equity Ratio (in times)	Debt consists of borrowings & lease Liabilities	Total Equity	(0.77)	(0.99)
Debt Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit after Taxes + Non-Cash Operating Expenses + Interest + Other non-cash adjustments	Debt Service = Interest & Lease Payments + Principal Repayments	1.31	0.12
Return on Equity Ratio (in %)	Profit for the year less Preference Dividend (if any)	Average Total Equity	(0.15)	(0.15)
Trade Receivables Turnover Ratio (in times)	Revenue from Operations	Average Trade Receivables	0.29	0.25
Trade Payables Turnover Ratio (in times)	Cost of Equipment and software licences + Other Expenses	Average Trade Payables	0.05	0.13
Net Capital Turnover Ratio (in times)	Revenue from Operations	Average Capital Employed	(0.03)	(0.12)
Net Profit Ratio (in %)	Profit for the year	Revenue from Operations	(1.48)	(1.28)
Return of Capital Employed (in %)	Profit before tax and finance Costs	Capital Employed = Networth + Lease Liabilities + Deferred Tax Liabilities	(0.04)	(0.27)
Return on Investment (in %)	Income generated from invested funds	Average invested funds in Treasury Investments	N.A.	N.A.

Notes to IND AS Financial Statements for the year ended 31st March 2023

36 . Additional Information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary

Name of the Enterprise	Net Assets i.e total assets minus total liabilities		Share in Profit or loss	
	As % of consolidated net assets	Amount Rs in Millions	As % of consolidated Profit or loss	Amount Rs in Millions
Parent				
Aban Offshore Limited	3.95	(8,806.17)	10.54	(1,149.92)
Subsidiaries				
Indian				
Aban Energies Limited	0.06	(132.82)	0.15	(16.59)
Foreign				
Aban Holdings Pte Ltd,Singapore	45.03	(1,00,401.52)	86.85	(9,472.80)
Aban Singapore Pte Ltd, Singapore	12.48	(27,831.99)	1.77	(193.49)
Aban AbrahamPte Ltd, Singapore	19.07	(42,515.82)	1.61	(175.86)
Aban 7 Pte Ltd,Singapore	5.55	(12,364.33)	0.02	(1.91)
Aban 8 Pte Ltd,Singapore	1.67	(3,716.55)	(0.01)	1.54
Aban Pearl Pte Ltd,Singapore	2.65	(5,903.23)	(0.01)	1.27
Aban International Norway AS,Norway	1.02	(2,272.98)	5.02	(547.10)
Aban Labuan Pvt LtdMalaysia	0.00	(0.33)	0.03	(3.55)
Deep Drilling Invest Pte Ltd, Singapore	1.93	(4,306.04)	(8.03)	875.40
Deep Drilling 6 PteLtd,Singapore	5.39	(12,028.80)	1.98	(216.01)
Deep Driller Mexico S de RL De CV, Mexico	1.24	(2,760.84)	(0.00)	0.05
Caldera Petroleum (UK) Ltd	0.01	(33.20)	0.06	(7.05)
Associates (Investment as per Equity Method)	(0.05)	106.91	0.01	(1.46)

37. New or Revised Accounting Standards:

The Company has not early adopted any mandatory standards, amendments and interpretations to existing standards that have been published but are only effective for the Company's accounting period beginning on or after 1st April 2023. However, management anticipates that the adoption of these standards, amendments and interpretations will not have a material impact on the financial statements of the Company in the period of their initial adoption.

37. The Company's Board of Directors authorized these Standalone Financial Statements for issue on May 24, 2023.

as per our report of even date

For Ford Rhodes Parks & Co. LLP
Chartered Accountants
ICAI-Registration No.102860W/W1000891

For and on behalf of the Board

Ramaswamy Subramanian
Partner
Membership No.016059

Reji Abraham
Managing Director

P.Venkateswaran
Vice Chairman

Place: Chennai
Date: May 24, 2023

C.P.Gopalkrishnan
Dy.Managing Director & Chief Financial Officer

S.N. Balaji
Dy.General Manager (Legal) & Secretary

FORM AOC-1

Statement pursuant to Section 129(3) of the Companies Act, 2013

SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES/ASSOCIATES AS PER COMPANIES ACT 2013

Part "A": SUBSIDIARIES

	Name of the subsidiary Company	Aban Energies Ltd India	Aban Holdings Pte Ltd, Singapore	Aban Singapore Pte Ltd,	Aban Abraham Pte Ltd, Singapore	Aban 7 Pte Ltd, Singapore	Aban 8 Pte Ltd, Singapore
		Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions
a)	Share Capital	2.00	35,317.32	35,317.32	4,100.00	6,232.00	3,116.00
b)	Reserves & Surplus *	(134.82)	(1,35,752.96)	(1,35,752.96)	(42,515.82)	(12,364.33)	(3,716.55)
c)	Total Assets	3.65	-	-	1.23	0.00	3,021.97
d)	Total Liabilities	136.47	2,00,186.19	2,00,186.19	38,417.05	6,132.33	3,622.52
e)	Investments (except in case of investment in subsidiaries)	-	42,667.64	42,667.64	-	-	-
f)	Turnover	6.70	-	-	-	-	474.21
g)	Profit/(Loss) before Taxation	(16.59)	(9,449.58)	(9,449.58)	(175.25)	(1.91)	1.54
h)	Provision for Taxation	-	-	-	0.61	-	-
I)	Profit/(Loss) after Taxation	(16.59)	(9,449.58)	(9,449.58)	(175.86)	(1.91)	1.54
j)	Proposed Dividend		-	-	-	-	-
k)	% of shareholding	100%	100%	100%	100%	100%	100%

	Name of the subsidiary Company	Aban Pearl Pte Ltd, Singapore	Aban International Norway AS,Norway	Aban Labuan Pvt Ltd Malaysia	Deep Drilling Invest Pte Ltd, Singapore	Deep Drilling 6 Pte Ltd, Singapore	Deep Driller Mexico S de RL De CV, Mexico	Caldera Petroleum (UK) Ltd United Kingdom
		Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions
a)	Share Capital	5,903.18	1,14,251.06	0.00	52,712.92	4,207.59	0.02	0.11
b)	Reserves & Surplus *	(5,903.23)	(2,272.98)	(0.33)	(4,306.04)	(12,028.80)	(2,760.84)	(33.20)
c)	Total Assets	0.00	21.77	-	44,201.10	(3,824.41)	3.70	-
d)	Total Liabilities	0.05	14,286.78	0.33	1.80	3,996.81	2,764.53	3,688.07
e)	Investments (except in case of investment in subsidiaries)	-	1,26,243.10	-	4,207.59	-	-	3,654.97
f)	Turnover	-	0.00	0.04	107.72	73.96	-	-
g)	Profit/(Loss) before Taxation	1.27	(547.10)	(3.55)	874.05	(216.01)	0.05	(7.05)
h)	Provision for Taxation	-	-	-	(1.37)	0.00	-	-
I)	Profit/(Loss) after Taxation	1.27	(547.10)	(3.55)	875.42	(216.01)	0.05	(7.05)
j)	Proposed Dividend	-	-	-	-	-	-	-
k)	% of shareholding	100%	100%	100%	100%	100%	100%	100%

Part "B": Associates

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate companies

Name of the Associate		Belati Oilfield Sdn Bhd Malaysia	Aban Hydrocarbon Singapore
		Rs in Millions	Rs in Millions
a)	Latest audited Balance Sheet Date	31-03-2023	31-03-2023
b)	Share of Associate/Joint Ventures held by the company on the year end		
	No. in Million	0.17	0.00
	Amount of Investment in Associates/Joint Venture	108.17	-
	Extent of Holding %	49%	50.25%
c)	Description of how there is significant influence	Due to Percentage of Share Capital	Due to Percentage of Share Capital
d)	Reason why the associate/Joint Venture is not consolidated	-	-
e)	Networth attributable to Shareholding as per latest audited Balance Sheet	106.91	-
f)	Profit/(Loss) for the year		
	Considered in Consolidation	(1.46)	-
	Not Considered in Consolidation	-	-

No of shares is less than 0.01 Million.

Note :

1. Names of Associates which are yet to commence operations - Nil
2. Names of Associates which have been liquidated or sold during the year - Nil

For and on behalf of the Board

Reji Abraham
Managing Director

C.P.Gopalkrishnan
Dy.Managing Director &
Chief Financial Officer

Place: Chennai
Date: May 24, 2023

P.Venkateswaran
Vice Chairman

S.N. Balaji
Dy. General Manager (Legal) &
Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of
ABAN OFFSHORE LIMITED

Report on the Audit of Consolidated IND AS Financial Statements

Disclaimer of Opinion

We were engaged to audit the accompanying consolidated financial Statements of **ABAN OFFSHORE LIMITED** (hereinafter referred to as the "Holding company") and its subsidiaries (Holding company and its subsidiaries together referred to as "the Group ") and its associate, which comprise the consolidated balance sheet as at 31st March, 2023, the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred as "the consolidated financial statements").

The Consolidated financial statement includes the financial statements of the following entities:

i. **Aban Offshore Limited, India** – Holding Company

ii. **Aban Holdings Pte Ltd, Singapore** – Wholly owned foreign subsidiary (includes 11 subsidiary companies and 1 associate company)

iii. **Aban Energies Ltd** - Wholly owned Indian subsidiary.

We do not express an opinion on the accompanying consolidated financial statements of the group. Because of the significance of the matters described in the 'Basis for Disclaimer of Opinion' section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

Basis for Disclaimer of Opinion:

1. Relating to the wholly owned foreign subsidiary

In case of wholly owned subsidiary of the company, Aban Holdings Pte Ltd, Singapore along with its subsidiaries and associate whose consolidated Financial Statements have been audited by other auditor "CLA Global TS Public Accounting Corporation – (Formerly Nexia TS Public Accounting Corporation), Public accountants and Chartered Accountants, Singapore" have expressed disclaimer of opinion on the consolidated financial statements for the year ended 31st March, 2023 which is reproduced as under

Beginning of Reproduction of other auditor's disclaimer conclusion:

Disclaimer of Opinion

We were engaged to audit the accompanying financial statements of Aban Holdings Pte. Ltd. (the "Company") and its subsidiary corporations (the "Group") which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 March 2023, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 7 to 51.

We do not express an opinion on the accompanying financial statements of the Group and the balance sheet of the Company. Because of the significance of the matters described in the Bases of Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Bases for Disclaimer of Opinion

1. Going concern

   As disclosed in Note 2.1 to the financial statements, in preparing the financial statements, the Board of Directors have considered the operations of the Group and the Company as going concerns notwithstanding that the Group incurred a net loss of US$120,270,000 for the financial year ended 31 March 2023, and as at that date, the Group and the Company were in net current liabilities position of US$2,697,399,000 and US$2,547,128,000 respectively. The Group and the Company were also in net liabilities position of US$2,609,862,000 and US$1,881,819,000 respectively as at 31 March 2023.

   As disclosed in Note 19 to the financial statements, the Group's rigs with carrying amount of US$30,899,000 has been pledged as security for the borrowings of the Group and the Company amounted to US$1,763,551,000 and US$1,643,394,000 respectively.

   In addition, the Group and the Company have defaulted on payment of their borrowings which have fallen due and have breached the covenants of their borrowings which give the lenders the right to demand the related borrowings be due and payable immediately. The lenders had issued recall notices to the Group and the Company. Management had reclassified these borrowings of the Group and the Company, with original repayment terms beyond 12 months from the balance sheet date as current liabilities.

   The above conditions indicate the existence of material uncertainties which may cast significant doubt on the Group's and the Company's ability to continue as going concerns. Nevertheless, the Board of Directors believes that the use of the going concern assumption on the preparation of the financial statements of the Group and the Company for the financial year ended 31 March 2023 is still appropriate after taking into consideration that, as at the date of this report, the Group has sold and delivered to the buyers seven rigs except for one rig under operation during the financial year ended 31 March 2023, and are in discussions with its lenders to obtain approval for and implementation of an appropriate debt resolution plan for the Group.

   The ability of the Group and the Company to continue in operational existence in the foreseeable future and to meet their financial obligations as and when they fall due are dependent on the actions and measures undertaken as disclosed above and it is uncertain whether the Group and the Company will raise further funds through any fund-raising exercises. Therefore, we were unable to obtain sufficient audit evidence to be able to form an opinion as to whether the going concern basis of preparation of the accompanying financial statements of the Group and the Company is appropriate.

   If the Group and the Company are unable to continue in operational existence in the foreseeable future, the Group and the Company may be unable to discharge their liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets, in particularly the rigs of the Group, may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the balance sheets. In addition, the Group and the Company may have to reclassify non-current assets and liabilities to current assets and liabilities respectively. The financial statements do not include any adjustment which may arise from these uncertainties.

2. Incompleteness of bank confirmations

   We were unable to obtain bank confirmations to confirm the Group's bank balances of US$44,000 as well as the bank borrowings of the Group and the Company amounted to US$1,763,551,000 and US$1,643,394,000 respectively as at 31 March 2023.

3. Investments in subsidiary corporations and amounts due from subsidiary corporations and immediate and ultimate holding corporation

   As disclosed in Note 16 to the financial statements, the Company's carrying amount of the investments in subsidiary corporations as at 31 March 2023 amounted to US$520,337,000. Management has determined that no objective evidence or indication that the carrying amount of the investments in subsidiary corporations may not be recoverable, accordingly no impairment assessment is required.

As disclosed in Notes 16 and 25 to the financial statements, the amounts due from subsidiary corporations and immediate and ultimate holding corporation as at 31 March 2023 amounted to US$136,125,000 and US$8,847,000 respectively. Management has determined that no impairment is required as there was no significant increase in credit risk.

Based on the latest financial performance and financial position of subsidiary corporations and immediate and ultimate holding corporation as well as other information made available to us, we were unable to obtain sufficient appropriate audit evidence in respect of the management's assessment of the recoverability of the investments in subsidiary corporations and the expected credit losses associated with the amounts due from subsidiary corporations and the immediate and ultimate holding corporation as at 31 March 2023. Consequently, we were unable to determine whether any adjustments might have been found necessary in respect of the carrying amounts of the investment in subsidiary corporations and amounts due from subsidiary corporations and the immediate and ultimate holding corporation as at 31 March 2023".

End of Reproduction of other auditor's disclaimer conclusion

2. Relating to the Holding Company

We refer to "Basis for qualified opinion", "Material uncertainty related to Going Concern" and "Emphasis of Matters Paragraph" in our Independent Auditor's Report on the Standalone financial statements of **ABAN OFFSHORE LIMITED** for the year ended 31st March 2023, which is reproduced below :

➢ Basis for Qualified Opinion

Non-receipt of confirmation of bank account balances including loan accounts as stated below:

Bank Balances including Deposits INR 16.28 million

Term Loans including Non-Convertible Redeemable Preference Shares INR 6,737.19 million

In view of the non-confirmation of bank and loan balances, we are not in a position to ascertain and comment on the correctness of the above mentioned outstanding balances and the resultant impact of the same on the standalone financial statements of the Company.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the standalone financial statements.

Material Uncertainty Related to Going Concern

We draw attention to Note - 33 to the accompanying standalone financial statements - the Company has incurred a net loss of INR 1,149.92 million for the year ended 31 March 2023 and, as of that date Company's accumulated loss amounts to INR 31,030.92 million on account of which the net worth is eroded and also, current liabilities exceeded current assets by INR 11,497.47 million as at 31 March 2023. The company has defaulted in repayment of loan installments, payment of interest on term loans, and redemption of non-convertible redeemable preference shares. These conditions indicate that material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. However, the management believes that the use of the going concern assumption on the preparation of the standalone financial statements of the Company is still appropriate in view of its continuing discussions with its lenders to obtain approval for and implementation of an appropriate debt resolution plan and that the Company will continue to be in operation in the foreseeable future.

Our opinion is not modified in respect of this matter.

- Emphasis of Matter Paragraph

  We draw attention to Note 26 – 'Contingent Liabilities' of the standalone financial statements which, disclose the amounts not paid under disputes with various Government Authorities amounting to INR 16858.18 million and are awaiting adjudication as at 31.03.2023 as mentioned in detail under point no VII (b) in 'Annexure A' of our report.

  Our opinion is not modified in respect of this matter."

  The basis for the disclaimer conclusion (para 1 of this report) of the other auditor indicates the existence of material uncertainties which may cast doubt on the ability to continue as a going concern of the wholly owned foreign subsidiary Aban Holdings Pte Ltd and its subsidiary companies which is material to the Group. The said disclaimer of the other auditor and our qualification on stand-alone financial statements (para 2 of this report) cast significant doubt on the ability of the Group to continue as a going concern and on the appropriateness of the preparation of accompanying financial information of the Group as a going concern. However, the Management of the Group believes that the use of the going concern assumption or the preparation of the financial statements of the Group is still appropriate in view of its continuing discussions with its lenders to obtain approval for and implementation of an appropriate debt resolution plan and that the Group will continue to be in operation in the foreseeable future.

  Our conclusion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of the most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Para 29 read with Para 26A of Standards on Auditing (SA) 705 (Revised) – 'Modifications to the Opinion in the Independent Auditor's Report', prohibits a Key Audit Matters from being included in the auditor's report when an auditor disclaims an opinion on the financial statements, unless the auditor is otherwise required by law or regulation to communicate key audit matters. Hence, we did not disclose key audit matters in this report.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and our auditors' 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.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of consolidated financial statements by the Directors of the Holding Company as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the audit of the Consolidated Financial Statements

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matter described in the "Basis of Disclaimer of Opinion" section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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 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 • 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

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

Other Matters

(a) We have audited the financial statements of **Aban Energies Limited,** Chennai, India.

(b) The financial statements of **Aban Holdings Pte Limited, Singapore and its Subsidiary Corporations**, whose consolidated financial statements have been audited by other auditor reflect total assets of INR 12,178.68 million as at 31st March 2023, total revenue of INR 4,336.20 million for the year ended on that date, as considered in the consolidated financial statements. We are informed that **Deep Drilling Mexico S DE R L DE CV, Mexico ('DD Mexico')** a subsidiary of Aban Singapore Pte Ltd is not required to be audited. The audit report of the consolidated accounts of **Aban Holdings Pte Ltd**, the wholly owned foreign subsidiary and its subsidiaries includes unaudited financials of 'DD Mexico'. The unaudited financial statement of Deep Drilling Mexico S DE R L DE CV, Mexico reflects the total assets of INR 3.70 million as at 31st March, 2023 and total revenue of INR Nil for the year then ended.

The financial statements of the said foreign subsidiary has been furnished by the Management and our opinion on the consolidated financial statements in respect of the foreign subsidiary and its subsidiary corporations and our report in terms of sub Section (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid Subsidiary is solely based on report of the other auditor.

Our opinion on the consolidated financial statements and our report on Other legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

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 Section 143 (11) of the Act, 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. (A) As required by section 143(3) of the Act, we report, to the extent applicable, 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 purpose of our audit of the aforesaid consolidated financial statements.

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.

    c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement and consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the consolidated financial statements.

    d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of written representations received from the directors of the Holding Company as on 31st March, 2023, and taken on record by the Board of Directors of the Holding Company and as per our audit report on the financial statements of its Indian Subsidiary company, none of the directors of the Holding Company, and its subsidiary incorporated in India is disqualified as on 31st March, 2023, 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'; and

g) With respect to other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, during the year, either the Holding Company or its Subsidiary Incorporated in India has not paid/provided managerial remuneration.

B. With respect to 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:

a) The "consolidated Ind AS financial statements" disclose the impact of pending litigations on the consolidated financial position of "the Group".

b) "The Group" did not have any material foreseeable losses on long-term contracts including derivative contracts.

c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India, during the year ended 31st March 2022.

d)(i) The Management 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 kinds of funds) by the Holding Company or its Subsidiary Company Incorporated in India to or in any other person or entity, including foreign entity ("Intermediaries"), 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 Holding Company or its Subsidiary Company Incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The Management 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 received by the Holding Company or its Subsidiary Company Incorporated in India from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its Subsidiary Corporations 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;

(iii) Based on the such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has to come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above, contain any material misstatement.

e) The Holding Company or its Subsidiary Company Incorporated in India has not declared or paid any Dividend during the year.

For Ford Rhodes Parks & Co. LLP
Chartered Accountants
ICAI Registration No: 102860W / W100089

Ramaswamy Subramanian
Partner
Membership No: 016059
ICAI UDIN: 23016059BGYZHN1486

Date: May 24, 2023
Place: Chennai

"ANNEXURE A"

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ABAN OFFSHORE LTD.

(Referred to in paragraph 1, under 'Report on Other Legal and Regulatory Requirements section of our Report of even date)

No qualification or adverse remarks are made by us in the Companies (Auditor's Report) Order (CARO) report on the separate financial statement of the Indian Subsidiary audited by us.

ANNEXURE 'B'

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON "THE CONSOLIDATED IND AS FINANCIAL STATEMENTS" OF "ABAN OFFSHORE LTD"

Report on the Internal Financial Controls under clause (i) of the Sub-section 3 of the Section 143 of the Companies Act, 2013 ('The Act').

In conjunction with our audit of the Consolidated Financial Statements of the Group as of and for the year ended 31st March 2023, we have audited the internal financial controls over financial reporting of **Aban Offshore Limited** ("the holding company") and its Indian subsidiary company

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its Indian subsidiary company, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective 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 ('ICAI'). 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 respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the respective 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an Audit of Internal Financial Controls. These standards and guidance 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 Judgment, including the assessment of the risk of material misstatement of the 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 internal financial control 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 preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes these policies and procedures that:

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in

accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization of management and directors of the Company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitation of Internal Financial Controls over Financial Reporting

Because of the inherent limitation 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 Indian subsidiary company 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 31st March 2023, based on the internal control over financial reporting criteria established by the respective 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 ICAI.

For Ford Rhodes Parks & Co. LLP
Chartered Accountants
ICAI Registration No: 102860W / W100089

Ramaswamy Subramanian
Partner
Membership No: 016059
ICAI UDIN: 23016059BGYZHN1486

Date: May 24, 2023
Place: Chennai

Consolidated Balance Sheet As at 31st March 2023

Particulars	Notes	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs. millions
ASSETS			
Non-Current Assets			
Property,Plant and Equipment	5(a)	3,274.49	3,685.41
Intangible assets	5(b)	3,654.97	3,357.22
Non-current assets held- for- Sale	5(c)	130.59	11,789.22
Financial Assets			
(i) Investments	6(a)	234.31	226.40
(ii) Loans	6(c)	926.30	294.39
(iii) Other financial assets	6(e)	1,132.43	702.05
Deferred tax asset	12	464.36	579.37
Total-Non-current assets		**9,817.45**	**20,634.07**
Current assets			
Inventories	8	966.17	1,963.57
Financial Assets			
(ii) Trade receivables	6(b)	3,268.12	4,181.59
(ii) Cash and cash equivalents	6(d)	1,485.03	864.45
(iii)Other Bank balances	6(e)	-	14.58
(iv) Loans	6(c)	1,159.66	587.51
(v) Other financial assets	6(f)	684.60	1,389.46
Other current assets	7	20.15	48.77
Total-current assets		**7,583.73**	**9,049.92**
Total- Assets		**17,401.18**	**29,683.99**
EQUITY AND LIABILITIES			
Equity			
(i) Equity Share Capital	9(a)	116.73	116.73
(ii) Other Equity	9(b)	(2,23,084.44)	(1,95,241.53)
Equity attributable to shareholders of the Company		**(2,22,967.71)**	**(1,95,124.80)**
Non-controlling interests		**-**	**-**
Total-Equity		**(2,22,967.71)**	**(1,95,124.80)**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
(i) Borrowings		-	-
(ii) Other Financial Liabilities		-	-
Employee benefit obligations	11	4.10	0.81
Total-Non-Current Liabilities		**4.10**	**0.81**
Current liabilities			
Financial Liabilities			
(i) Borrowings	10(a)	1,51,348.41	1,52,486.93
(ii) Trade payables	13		
a) Dues of Micro and Small Enterprises		**-**	**-**
b) Dues of Creditors other than Micro and Small Enterprises		3,920.13	3,369.78
(iii) Other financial liabilities	10(b)	84,951.40	68,842.75
Employee benefit obligations	11	9.19	0.47
Other current liabilities	14	135.66	108.04
Current tax liabilities (Net)		-	-
Total-Current Liabilities		**2,40,364.79**	**2,24,807.97**
Total-Liabilities		**2,40,368.89**	**2,24,808.78**
Total-Equity and Liabilities		**17,401.18**	**29,683.98**
Summary of significant accounting policies	3.1		

The accompanying notes 1 to 38 are an integral part of the financial statements

As per our report of even date
For Ford Rhodes Parks & Co. LLP
Chartered Accountants
ICAI-Registration No.102860W/W1000891

Ramaswamy Subramanian
Partner
Membership No.016059
Place: Chennai
Date: May 24, 2023

For and on behalf of the Board

Reji Abraham
Managing Director

P.Venkateswaran
Vice Chairman

C.P.Gopalkrishnan
Dy.Managing Director & Chief Financial Officer

S.N. Balaji
Dy.General Manager (Legal) & Secretary

Consolidated Statement of Profit and Loss for the year ended 31st March 2023

Particulars	Notes	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs. millions
Continuing Operations			
Income			
Revenue from operations	15	3,967.27	5,983.40
Impairment Reversal (Refer Note 5(a))		890.47	-
Other income	16	452.84	149.52
Total Income		**5,310.58**	**6,132.92**
Expenses			
Consumption of stores,spares,power and fuel	17	840.00	885.65
Employee benefits expense	18	1,060.20	1,609.92
Finance Costs	19	11,095.77	10,966.34
Depreciation and amortization expense	20	471.05	1,448.64
Impairment / Write Off of Receivables	21	667.64	82.85
Impairment loss of property, plant and equipment	22	209.09	10,174.22
Inventory write-down	8	81.94	670.19
Other expenses	23	2,418.06	2,365.61
Total expenses		**16,843.75**	**28,203.42**
Loss before exceptional items and tax		**(11,533.17)**	**(22,070.50)**
Add : Exceptional items (Note : 40)		933.12	541.13
Loss before tax before share in earnings of associate		(10,600.05)	(21,529.37)
Share of profit/(loss) of associate		(1.46)	(11.02)
Loss before tax from continuing operations		**(10,601.52)**	**(21,540.39)**
Tax expense			
Current tax		167.42	176.18
Deferred tax		115.01	53.82
Total tax expense		**282.43**	**230.00**
Loss for the year after tax from continuing operations		(10,883.93)	(21,770.39)
Discontinued Operations			
Profit before tax from discontinued operations		(23.53)	(0.39)
Tax income/(expense) of discontinued operations		-	-
(Loss) for the year from discontinued operations		**(23.53)**	**(0.39)**
Loss for the year		**(10,907.47)**	**(21,770.78)**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Exchange differences on translation of foreign operations		(16,926.78)	(5,130.03)
B (i) Items that will be reclassified to profit or loss		-	-
Expected return on Plan assets & Net Actuarial gain/ (loss) recognised - Employee Benefits		(8.73)	3.54
Other Comprehensive Income for the year,net of tax		**(16935.51)**	**(5126.49)**
Total Comprehensive Income for the year		**(27842.98)**	**(26897.27)**

Particulars	Notes	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs. millions
Loss attributable to:			
Owners of the entity		(27842.98)	(26897.27)
Non-controlling interest		-	-
Other comprehensive income attributable to:			
Owners of the entity		-	-
Non-controlling interest		-	-
Total comprehensive income attributable to:			
Owners of the entity		(27842.98)	(26897.27)
Non-controlling interest		-	-
Total comprehensive income attributable to owners:			
Continuing operations		(27819.45)	(26896.88)
Discontinued operations		(23.53)	(0.39)
Earnings per equity share for profit from continuing operations attributable to owners of the entity			
Basic earnings per share		(186.50)	(373.03)
Diluted earnings per share		(186.50)	(373.03)
Earnings per equity share for profit from discontinued operations attributable to owners of the entity			
Basic earnings per share		(0.40)	(0.01)
Diluted earnings per share		(0.40)	(0.01)
Earnings per equity share from continuing and discontinued operations attributable to owners of the entity			
Basic earnings per share		(186.90)	(373.04)
Diluted earnings per share		(186.90)	(373.04)
Summary of significant accounting policies	3.1		

The accompanying notes 1 to 38 are an integral part of the financial statements

As per our report of even date

For Ford Rhodes Parks & Co. LLP
Chartered Accountants
ICAI-Registration No.102860W/W1000891

For and on behalf of the Board

Ramaswamy Subramanian
Partner
Membership No.016059

Reji Abraham
Managing Director

P.Venkateswaran
Vice Chairman

Place: Chennai
Date: May 24, 2023

C.P.Gopalkrishnan
Dy.Managing Director & Chief Financial Officer

S.N. Balaji
Dy.General Manager (Legal) & Secretary

Consolidated IND AS Cash Flow Statement for the year ended 31st March 2023

	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs. millions
Cash Flow from operating activities		
Loss before tax from continuing Operations	(10,601.51)	(26,666.90)
Loss before tax from discontinuing Operations	(23.53)	(0.39)
Loss before tax	**(10,625.04)**	(26,667.29)
Non cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization on continuing operations	471.05	1,448.64
Impairment/other write off on tangible assets to continuing operations	209.09	10,174.22
Impairment reversal	(890.47)	-
Loss/(profit) on sale of fixed assets	(0.56)	(2.09)
Provision for Employee Benefits	83.43	3.42
Inventory write-down	81.94	670.19
Bad Debts Written off/Impairment of receivables	667.64	82.85
Unrealized foreign exchange loss/(gain)	316.37	126.82
Provision no longer required written back	(50.16)	(19.64)
Interest on borrowings and dividend on redeemable preference shares	11,095.77	10,966.34
Interest income	(45.91)	(44.46)
Exceptional items	(933.12)	(541.13)
Operating profit / (loss) before working capital changes	**380.03**	**(3,802.11)**
Movements in working capital:		
Increase/(Decrease) in trade payables and other liabilities	(18.92)	(2,385.07)
Decrease/(Increase) in trade receivables and other assets	(6.94)	1,645.34
Decrease/(Increase) in inventories	915.46	263.84
Cash generated from(used in) operations	1,269.63	(4,278.01)
Direct taxes paid (net of refunds)	35.08	(59.03)
Net cash flow from /(used in) operating activities (A)	**1,304.71**	**(4,337.04)**

	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs. millions
Cash Flow from investing activities		
Purchase of fixed assets including Intangible Assets net of exchange difference on translation #	(5.20)	(8.89)
Proceed from sale of fixed assets/Intangible assets net of translation impact	13,956.12	2,029.46
Proceed from sale /maturity of current investment	0.41	-
Interest received	45.05	43.76
Net cash flow from /(used in) investing activities (B)	**13,996.38**	**2,064.33**
Cash Flow from financing activities		
Repayment of short term borrowings/Proceeds from short term borrowings	(14,695.09)	1,075.60
Interest paid/Effect of translation of interest on Foreign Currency Loans	-	1,458.86
Net cash used in financing activities (C)	**(14,695.09)**	**2,534.46**
Net increase /(decrease) in cash and cash equivalents (A+B+C)	606.02	261.76
Effect of exchange differences on cash and cash equivalents held in foreign currency	(0.02)	0.01
Cash and cash equivalents at the beginning of the year	879.03	617.26
Cash and cash equivalents at the end of the year	**1,485.03**	**879.03**
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per above comprise of the following		
	31st March 2023	**31st March 2022**
Cash and cash equivalents (note 6 (d) & (e)) *	1,485.03	879.03
Balances per statement of cash flows	**1,485.03**	**879.03**
* Includes Restricted Cash balance	9.65	8.79
# Due to exchange differences on translation.		

As per our report of even date

For Ford Rhodes Parks & Co. LLP
Chartered Accountants
ICAI-Registration No.102860W/W1000891

Ramaswamy Subramanian
Partner
Membership No.016059

Place: Chennai
Date: May 24, 2023

For and on behalf of the Board

Reji Abraham
Managing Director

P.Venkateswaran
Vice Chairman

C.P.Gopalkrishnan
Dy.Managing Director & Chief Financial Officer

S.N. Balaji
Dy.General Manager (Legal) & Secretary

Consolidated Statement of Changes in Equity

a. Equity Share Capital **Rs.millions**

As at 31st March 2022	**116.73**
Changes in equity share capital	-
As at 31st March 2023	**116.73**

b. Other Equity **Rs. Millions**

	Reserves and Surplus						Items of Other Comprehensive Income			Total
	Capital Reserve	Securities Premium Reserve	Investment Allowance Reserve	Capital Redemption reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Foreign currency translation reserve	Other items of Other Comprehensive Income	
Balance at 1st April 2021	0.03	17,800.78	52.40	2,810.00	1,479.79	(185,450.88)	0.00	(5,056.40)	20.09	(168,344.26)
Loss for the year	-	-	-	-	-	(21,770.78)	-	-	-	(21,770.78)
Total Comprehensive Income for the year	-	-	-	-	-	-	-	(5,130.03)	3.54	(5,126.49)
Dividends	-	-	-	-	-	-	-	-	-	-
Transfer to Capital redemption reserve	-	-	-	-	-	-	-	-	-	-
Excess of right to use asset expenses over Lease Rental income	-	-	-	-	-	-	-	-	-	-
Balance at 31st March 2022	**0.03**	**17,800.78**	**52.40**	**2,810.00**	**1,479.79**	**(207,221.73)**	**-**	**(10,186.43)**	**23.63**	**(195,241.53)**

	Reserves and Surplus						Items of Other Comprehensive Income			Total
	Capital Reserve	Securities Premium Reserve	Investment Allowance Reserve	Capital Redemption reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Foreign currency translation reserve	Other items of Other Comprehensive Income	
Balance at 1st April 2022	0.03	17,800.78	52.40	2,810.00	1,479.79	(207,221.73)	0.00	(10,186.43)	23.63	(195,241.53)
Profit for the year	-	-	-	-	-	(10,907.47)	-	-	-	(10,907.47)
Total Comprehensive Income for the year	-	-	-	-	-	-	-	(16,926.78)	(8.73)	(16,935.51)
Dividends	-	-	-	-	-	-	-	-	-	- -
Transfer to Capital redemption reserve	-	-	-	-	-	-	-	-	-	-
Excess of right to use asset expenses over Lease Rental income	-	-	-	-	-	-	-	-	-	-
Balance at 31st March 2023	**0.03**	**17,800.78**	**52.40**	**2,810.00**	**1,479.79**	**(218,129.20)**	**-**	**(27,113.21)**	**14.90**	**(223,084.44)**

As per our report of even date

For Ford Rhodes Parks & Co. LLP
Chartered Accountants
ICAI-Registration No.102860W/W1000891

Ramaswamy Subramanian
Partner
Membership No.016059

Place: Chennai
Date: May 24, 2023

For and on behalf of the Board

Reji Abraham
Managing Director

P.Venkateswaran
Vice Chairman

C.P.Gopalkrishnan
Dy.Managing Director & Chief Financial Officer

S.N. Balaji
Dy. General Manager (Legal) & Secretary

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2023

1. Corporate Information

Aban Offshore Limited (AOL) (the Parent Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act,1956. Its shares are listed on two stock exchanges in India. The Parent Company and its 13 subsidiaries and one associate are referred to as Company for the purpose of this Consolidated Financial Statements. The Parent Company has one Indian subsidiary company - Aban Energies Ltd (wholly owned subsidiary), and a wholly owned foreign subsidiary Aban Holdings Pte. Limited, Singapore. The Parent Company, the wholly owned foreign subsidiary and its step-down subsidiaries are engaged in the business of providing offshore drilling and production services to companies engaged in exploration, development and production of oil and gas both in domestic and international markets. The Parent Company and its Indian subsidiary are engaged in the ownership, operation and maintenance of wind turbines for generation of electricity through wind power in India. During the year, one of the secured lenders took possession of (wind power) land, consequent to that the Company discontinued its wind power operation.

2. Basis of preparation

The Consolidated financial statements have been prepared in accordance with IFRS converged Indian Accounting Standards (IndAS) as issued by the Ministry of Corporate Affairs (MCA).

All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of business operations, the Company has ascertained its operating cycle as 12 months for the purpose of current and non- current classification of assets and liabilities.

3. Principles of consolidation

The consolidated financial statements have been prepared in accordance with IndAS 27 (Separate financial statements), IndAS 110 (Consolidated financial statements) and IndAS 112 (Disclosure of interest in other entities) based on the core principle that the consolidated entity presents the Parent company and its subsidiaries as if they are a single economic entity.

In preparing these consolidated financial statements, the financial statements of the Parent company and its subsidiaries are combined line by line by adding together like items of assets, liabilities, equity, income and expenses. In order that the consolidated financial statements present financial information about the Company as that of a single economic entity, the following steps are taken:

(a) The carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary are eliminated. The excess/deficit of cost to the Parent Company of its investment over its portion of net worth in consolidated Subsidiaries at the respective dates on which the investment in such entities was made is recognized in the financial statements as goodwill/capital reserve.

(b) Non-controlling interests in the profit or loss of consolidated subsidiaries for the reporting period, if any, are identified; and

(c) Non-controlling interests in the net assets of consolidated subsidiaries, if any, are identified separately from the parent's ownership interests in them.

IntraCompany balances and transactions, including income, expenses and dividends, are eliminated in full. Profits and losses resulting from intraCompany transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full.

These Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

Functional Currency of Foreign Subsidiaries is United States Dollars. The assets and liabilities of overseas subsidiaries denominated in foreign currencies are translated in Indian Rupees at exchange rates prevailing at the date of the Balance Sheet; profits and losses are translated at average exchange rates for the relevant accounting periods. Exchange differences arising are recognized in the Other Comprehensive Income and are included in the translation reserve. Such translation differences shall be recognized as income or expenses in the period in which the operation is disposed off.

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2023

3.1 Summary of significant accounting policies

I Use of estimates

Preparation of these consolidated financial statements in accordance with IndAS requires management to make judgements on the basis of certain estimates and assumptions. In addition, the application of accounting policies requires management judgement. Estimates are based on the managements view on past events and future development and strategies. Management reviews the estimates and assumptions on a continuous basis, by reference to past experiences and other factors that can reasonably be used to assess the book values of assets and liabilities.

The accounting policies which have the most significant effect on the figures disclosed in the consolidated financial statements are mentioned below and these should be read in conjunction with the disclosure of the significant IndAS accounting policies provided below:

i. Impairment testing

i. Goodwill:

Company's management reviews regularly, and at each reporting date, whether there is any indication of impairment in respect of Goodwill. Goodwill is tested annually for impairment, even if there is no indication of impairment.

ii. Property, Plant & Equipment, Investment in Subsidiary Corporations:

Property, Plant and Equipment and Investments in subsidiary corporations are tested for impairment whenever there is objective or indication that these assets may be impaired.

For the purpose of Impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis. If the recoverable value of the asset is estimated to be less than the carrying amount, the carrying amount of the asset so reduced to its recoverable amount. The difference between the carrying amount of the asset and the recoverable amount is recognized as impairment loss in profit and loss.

iii. Trade Receivables:

The Company assesses the expected credit losses associated with its Trade Receivables carried at amortized cost. The impairment methodology applied depends on whether there has been significant increase in credit risk in the initial recognized amount. For Trade Receivables the Company applies the approach permitted by IND AS109 which requires expected lifetime losses to be recognized from initial recognition of the receivable.

ii. Useful life of Property, Plant and Equipment

The assessment of the useful life of each asset by considering the historical experience and expectations regarding future operations and expected usage, estimated technical obsolescence, residual value, physical wear and tear and the operating environment in which the asset is located needs significant judgement by the management.

iii. Fair Value

Certain financial instruments, such as investments in equity securities, derivative financial instruments and certain elements of borrowings, are carried in the financial statements at fair value, with changes in fair value reflected in the income statements. Fair values are estimated by reference to published price quotations or by using other valuation techniques that may include inputs that are not based on observable market data, such as discounted cash flows analysis.

II Presentation of true and fair view

These Consolidated financial Statements have been prepared by applying IndAS principles and necessary disclosures have been made which present a true and fair view of the financial position, financial performance and cash flows of the Company.

III Accrual basis

These Consolidated financial statements, except for cash flow information, have been prepared using the accrual basis of accounting.

IV Basis of Measurement

These consolidated financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain property, plant and equipment and financial instruments that have been measured at fair values or revalued amounts as required by the relevant IndAS.

V Offsetting

In preparation of these Consolidated Financial Statements, the Company has not offset assets and liabilities or income and expenses, unless required or permitted by Ind AS.

VI Investment in Associates

An associate is an entity in which the investor has significant influence, but which is neither a subsidiary nor a joint venture of the investor. Interests in Associates are accounted in these Consolidated Financial Statements using the equity method of accounting in accordance with IndAS 28.

VII Functional and Presentation Currency

Ind AS 21 (Effects of changes in foreign exchange rates) requires that functional currency and presentation currency be determined. Functional currency is the currency of the primary economic environment in which the entity operates. Presentation currency is the currency in which the financial statements are presented.

These consolidated financial statements are presented in Indian Rupee, which is the functional currency and presentation currency of the Parent Company. All foreign currency transactions are expressed in the functional currency using the exchange rate at the transaction date.

Foreign currency balances representing cash or amounts to be received or paid in cash (monetary items) are retranslated at the end of the year using the exchange rate on that date. Exchange differences on such monetary items are recognized as income or expense for the year.

Non-monetary balances that are not remeasured at fair value and are denominated in a foreign currency are expressed in the functional currency using the exchange rate at the transaction date. Where a non-monetary item is remeasured at fair value in the financial statements, the exchange rate at the date when fair value was determined is used.

The functional currency of the foreign subsidiaries is United States Dollars. However for the purpose of preparation of consolidated financial statements, the assets and liabilities of the foreign subsidiaries are translated and presented in Indian Rupees (which is the functional and presentation currency of the Parent company) at the closing rate at the end of the reporting period. The income statement is translated at exchange rates at the dates of the transactions or at the average rate if that approximates the actual rates. All resulting exchange differences are recognized in other comprehensive income.

VIII Property, plant and equipment

Property, plant and equipment (PPE) is recognized when the cost of an asset can be reliably measured and it is probable that the entity will obtain future economic benefits from the asset.

PPE is measured initially at cost. Cost includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable cost of bringing the asset to working condition for its intended use (inclusive of import duties and non-refundable purchase taxes).

The company has chosen the deemed cost exception provided in Ind AS 101. Accordingly, it has partly revalued in property, plant and equipment, and partly recalculated carrying values by applying Ind AS guidance from the date of acquisition of such assets.

The cost of a major inspection or overhaul of an item occurring at regular intervals over the useful life of the item is capitalised to the extent that it meets the recognition criteria of an asset. The carrying amounts of the parts replaced are derecognized.

IX Non Current Assets held for sale and Discontinued Operations

In accordance with IND AS 105, Non- Current Assets are as Non-Current Assets held for sale in case such asset is available for sale in its present condition and its sale must be highly probable. In addition the sale should be expected to qualify for recognition as completed sale within one year from the date of classification or such extended period in circumstances beyond the control of the company. A non-current asset classified as held for sale is carried at lower of its carrying amount and fair value less cost to sell. Such asset is not depreciated after the date of such classification. Interest and other expenses attributable to liability associated with non- current assets classified as held for sale shall continue to be recognized.

Discontinued operations are excluded from the results of the continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss. All other notes to the financial statements include amounts from continuing operations unless otherwise mentioned.

XI Depreciation on Property, plant and equipment

The depreciable amount of PPE (being the gross carrying value less the estimated residual value) is depreciated on a systematic basis over its useful life. Subsequent expenditure relating to an item of PPE is capitalised if it meets the recognition criteria.

PPE may comprise parts with different useful lives. Depreciation is calculated based on each individual part's life subject to the life of the main asset.

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful life of the assets as under-

Fixed Assets	Useful Life
Buildings	60 years
Drilling Rigs	30 or 40 years
Drillship	25 or 40 years
Office Equipment	5 years
Computers	3 years
Windmills	22 years
Furniture and fixtures	10 years
Motor Vehicles	3/8 years

XII Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance.

a. Goodwill is recognized in these Consolidated Financial Statements as an intangible asset using the following principles:

   An intangible asset has an indefinite useful life when, based on an analysis of all the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity.

   Goodwill on acquisition of subsidiaries has been recognized in the consolidated financial statements as an intangible asset and it is measured on the date of acquisition applying the principles of IndAS retrospectively.

   Goodwill is presumed to have indefinite useful life. Hence goodwill will not be amortised but tested for impairment annually or whenever there is an indication of impairment.

b. Acquired Licence/Exploration and Evaluation Assets

   Licence acquired/Exploration and Evaluation Assets is initially recognized at cost and subsequently carried at cost less accumulated amortization and accumulated impairment losses. These costs are amortised to Profit and loss using the straight line method over the period of contractual right or estimated useful lives. These assets are not amortised until available for use.

c. Farm-outs - in the exploration and evaluation phase

   The Company does not record any expenditure made by the farmee on its account. It also does not recognise any gain or loss on its exploration and evaluation farm-out arrangements, but redesignates any costs previously capitalised in relation to the whole interest as relating to the partial interest retained. Any cash consideration received directly from the farmee is credited against costs previously capitalised in relation to the whole interest with any excess accounted for by the farmor as a gain on disposal.

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2023

XIII Borrowings costs

Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of funds. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset. Other borrowing costs are recognized as an expense.

Borrowing costs include interest expense, if any, calculated using the effective interest method, finance charges, if any, in respect of finance leases and exchange differences, if any, arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

XIII Impairment of Property, plant and equipment

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is recognized immediately in profit or loss, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset shall be treated as a revaluation decrease.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

An impairment loss recognized in prior periods for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized.

XIV Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Quoted Investments are recognized and measured at fair value.

XV Inventories

The Company determines the cost for items that are not interchangeable or that have been segregated for specific contracts on an individual-item basis as per IndAS 2, 'Inventories'. The cost of other inventory items used is assigned by using either the first-in, first-out (FIFO) or weighted average cost formula.

The Company uses the same cost formula for all inventories of similar nature and use. The cost formula used is applied on a consistent basis from period to period.

Inventories are initially recognized at the lower of cost and net realisable value (NRV). Cost of inventories includes import duties, non-refundable taxes, transport and handling costs and any other directly attributable costs, less trade discounts, rebates and similar items. Costs such as abnormal amount of wasted materials, storage costs, administrative costs and selling costs are excluded from the cost of inventories. NRV is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated selling expenses.

Inventories is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is recognized immediately in profit or loss, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset shall be treated as a revaluation decrease.

An impairment loss recognized in prior periods for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized.

XVI Revenue recognition

Revenue is recognized when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the goods or services.

For this, the company first determines whether control is transferred over time. If the answer to this question is negative, only then revenue is recognized at a point in time, or else it is recognized over time.

The company recognizes revenue to depict the transfer of goods or services to customers at an amount expected to be received in exchange for those goods or services.

Income from drilling services is recognized as earned, based on contractual daily rates billed on monthly basis. Mobilization /demobilization fees received, if any, is recognized as earned in the year of mobilization/demobilization.

Income from wind power generation is recognized based on the number of units of power generated every month at contracted rates.

Interest income is recognized on time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the Statement of Profit and Loss.

Dividend income is recognized when the company’s right to receive dividend is established by the reporting date.

XVIII Retirement and other employee benefits

Employee benefits are all forms of consideration given or promised by the company in exchange for services rendered by its employees. These benefits include salary-related benefits (such as wages, profit-sharing, bonuses and compensated absences, such as paid holiday and long-service leave), termination benefits (such as severance and redundancy pay) and postemployment benefits (such as retirement benefit plans).

Defined contribution plans

The cost of defined contribution plans is the contribution payable by the employer for that accounting period.

Contribution to Provident Fund which is a defined contribution retirement plan is made monthly at a predetermined rate to the Provident Fund Authorities and is debited to the statement of profit and loss on accrual basis.

Contribution to National Pension System which is defined contribution retirement plan is made annually at predetermined rate to Pension Funds which administer the fund and debited to the statement of Profit and Loss.

Defined benefit plans

Accounting for defined benefit plans is based on actuarial assumptions and different valuation methods to measure the balance sheet obligation and the expense.

Where defined benefit plans are funded, the plan assets are measured at fair value. At each balance sheet date, the plan assets and the defined benefit obligations are remeasured. The income statement reflects the change in the surplus or deficit, except for contributions made to the plan and benefits paid by the plan, along with business combinations and remeasurement gains and losses.

Remeasurement gains and losses comprise actuarial gains and losses, return on plan assets (comprise amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability or asset). Remeasurements are recognized in other comprehensive income.

The amount of pension expense to be recognized in profit or loss is comprised of the following individual components, unless they are required or permitted to be included in the costs of an asset:

- Service costs (present value of the benefits earned by active employees)
- Net interest costs (unwinding of the discount on the defined benefit obligations and a theoretical return on plan assets)

Annual contribution is made to Gratuity Funds administered by Insurance Companies, which is considered as defined benefit plan. The present value of the defined benefit is measured using the ‘Projected Unit Credit method with actuarial valuation being carried out at each Balance Sheet date by an independent valuer. Actuarial gain and losses are immediately recognized in the statement of profit and loss. Amount of contribution, computed by the insurers is paid by the company and charged to statement of profit and loss. No additional liability is anticipated under the scheme administered by the Insurance Companies.

XIX Taxes on income

Current tax expense is based on the taxable and deductible amounts to be used for the computation of the taxable income for the current year. A liability is recognized in the balance sheet in respect of current tax expense for the current and prior periods to the extent unpaid. An asset is recognized if current tax has been overpaid.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, except when the temporary difference arises from the following:

- Initial recognition of goodwill (for deferred tax liabilities only)
- Initial recognition of an asset or liability in a transaction which is not a business combination and which affects neither accounting profit nor taxable profit
- Investments in subsidiaries, branches, associates and joint ventures, but only when certain criteria apply.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

A deferred tax asset is recognized for deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

Current and deferred tax is recognized in profit or loss for the period, unless the tax arises from a business combination or a transaction or event that is recognized outside profit or loss, either in other comprehensive income or directly in equity in the same or different period.

Deferred income taxes have not been recognised on certain temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in respect of foreign subsidiary.

XX Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

Derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognized in Other Comprehensive Income (OCI) and later reclassified to profit or loss when the hedge item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as:

Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment.

Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment.

Hedges of a net investment in a foreign operation.

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2023

XXI Segment reporting

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of services provided with each segment representing strategic business unit that offers different services.

XXII Earnings per share

Basic EPS is calculated by dividing the profit or loss for the period attributable to the equity holders of the parent company by the weighted average number of ordinary shares outstanding (including adjustments for bonus and rights issues).

Diluted EPS is calculated by adjusting the profit or loss and the weighted average number of ordinary shares by taking into account the conversion of any dilutive potential ordinary shares.

Basic and diluted EPS are presented in the statement of profit and loss for each class of ordinary shares in accordance with IndAS 33 (Earnings per share).

XXIII Provisions, contingent liabilities and contingent assets

The Company recognizes a provision when:

- There is a present obligation to transfer economic benefits as a result of past events;
- it is probable (more likely than not) that such a transfer will be required to settle the obligation;
- and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the expenditure required to settle the obligation at the balance sheet date, measured at the expected cash flows discounted for the time value of money. Provisions are not recognized for future operating losses.

An obligation and any anticipated recovery are presented separately as a liability and an asset respectively; however, an asset is recognized only if it is virtually certain that settlement of the obligation will result in a reimbursement, and the amount recognized for the reimbursement does not exceed the amount of the provision. The amount of any expected reimbursement is disclosed. Net presentation is done only in the income statement.

Management performs an exercise at each balance sheet date to identify the best estimate of the expenditure required to settle the present obligation at the balance sheet date, discounted at an appropriate rate. The increase in provision due to the passage of time (that is a consequence of the discount rate) is recognized as cost.

Contingent liabilities are possible obligations whose existence will be confirmed only on the occurrence or non-occurrence of uncertain future events outside the entity's control, or present obligations that are not recognized because of the following:

(a) It is not probable that an outflow of economic benefits will be required to settle the obligation; or

(b) the amount cannot be measured reliably.

As per IndAS 37 (Provisions,Contingent liabilities and Contingent assets) , Contingent liabilities, if any, are not recognized but are disclosed and described in the notes to the Consolidated financial statements, including an estimate of their potential financial effect and uncertainties relating to the amount or timing of any outflow, unless the possibility of settlement is remote.

Contingent assets are possible assets whose existence will be confirmed only on the occurrence or non-occurrence of uncertain future events outside the entity's control. As per IndAS 37, Contingent assets, if any, are not recognized but are disclosed and described in the notes to the Consolidated financial statements, including an estimate of their potential financial effect if the inflow of economic benefits is probable.

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2023

XXIV Cash and cash equivalents

Cash and cash equivalents for the purpose of the cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

XXIV Share based payments

All types of share-based payments and transactions are measured at fair value and recognized over the vesting period in accordance with IndAS 102. However this is not applicable for equity instruments that vested before date of transition to IndAS.

XXV Related Party Disclosures

All disclosures as specified under IndAS 24 (Related party disclosures) are made in these Consolidated Financial Statements in respect of the company's transactions with related parties.

XXVI Leases

The Company, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets 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.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

XXVIII Financial Instruments

Financial assets and financial liabilities are recognized on the Company Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial Assets - Trade receivables

Trade receivables are non-interest-bearing and are recognized initially at fair value, and subsequently at amortized cost using the effective interest rate method, less provision for impairment loss allowance, if any.

Financial Assets - Investments

Investments consist of investments in equity shares (quoted) and are recognized at fair value through other comprehensive income. Gains and losses arising from changes in fair value are recognized directly in other comprehensive income, until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognized in other comprehensive income is included in the Consolidated Income Statement for the period. Dividends, if any, on equity instrument are recognized in the Company Income Statement when the company's right to receive payment is established.

Loans and advances

Loans and advances are initially recognized at fair value plus directly related transaction costs. Subsequent to initial recognition, these assets are carried at amortized cost using the effective interest method less any impairment losses. Income from these financial assets is calculated on an effective yield basis and is recognized in the Consolidated Income Statement.

At each balance sheet date, the Company reviews the carrying amounts of its loans and advances to determine whether there is any indication that those assets have suffered an impairment loss.

If there is objective evidence that an impairment loss on a financial asset or Company of financial assets classified as loans and advances has been incurred, the Company measures the amount of the loss as the difference between the carrying amount of the asset or Company of assets and the present value of estimated future cash flows from the asset or Company of assets discounted at the effective interest rate of the instrument at initial recognition.

Impairment losses, if any, are recognized in the Consolidated Income Statement and the carrying amount of the financial asset or Company of financial assets is reduced by establishing an allowance for impairment losses.

If in a subsequent period the amount of the impairment loss reduces and the reduction can be ascribed to an event after the impairment was recognized, the previously recognized loss is reversed by adjusting the allowance. Once an impairment loss has been recognized on a financial asset or Company of financial assets, interest income is recognized on the carrying amount using the rate of interest at which estimated future cash flows were discounted in measuring impairment.

Loan impairment provisions are established taking into account the level of arrears, security, past loss experience, credit scores and defaults based on portfolio trends. The most significant factors in establishing these provisions are the expected loss rates.

Interest-bearing borrowings

Interest-bearing bank loans and overdrafts are initially recorded at fair value, net of attributable transaction costs. Subsequent to initial recognition, interest bearing borrowings are stated at amortized cost with any difference between proceeds and redemption value being recognized in the Consolidated Income Statement over the period of the borrowings on an effective interest rate basis.

Trade payables

Trade payables are non-interest-bearing and are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet only when there is a current legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2023

4. The Consolidated financial statements include the financial statements of Aban Offshore Limited ("the Parent Company"), its subsidiaries and its associate company. The details of the subsidiaries and the associate company are given below:

S. No	Name of the company	Country of Incorporation	Percentage of holding	Accounts considered	Reporting Currency
1	Aban Energies Limited	India	100%	31st March 2023 (audited)	Indian Rupee
2	Aban Holdings Pte Ltd	Singapore	100%	31st March 2023 (audited)	US Dollars
3	Aban Singapore Pte Ltd	Singapore	(a)	31st March 2023 (audited)	US Dollars
4	Aban International Norway AS	Norway	(b)	31st March 2023 (audited)	US Dollars
5	Aban 7 Pte Ltd	Singapore	(b)	31st March 2023 (audited)	US Dollars
6	Aban 8 Pte Ltd	Singapore	(b)	31st March 2023 (audited)	US Dollars
7	Aban Abraham Pte Ltd	Singapore	(b)	31st March 2023 (audited)	US Dollars
8	Aban Pearl Pte Ltd	Singapore	(b)	31st March 2023 (audited)	US Dollars
9	Deep Drilling Invest Pte Ltd	Singapore	(c)	31st March 2023 (audited)	US Dollars
10	Deep Drilling 6 Pte Ltd	Singapore	(d)	31st March 2023 (audited)	US Dollars
11	Deep Drilling Mexico S de RL de CV, Mexico	Mexico	(b)	31st March 2023 (not required to be audited)	US Dollars
12	Aban Labuan Pvt Limited	Labuan, Malaysia	(b)	31st March 2023 (audited)	US Dollars
13	Caldera Petroleum (UK) Ltd	United Kingdom	(b)	31st March 2023 (audited)	US Dollars

Note:

a) Wholly-owned subsidiary of Aban Holdings Pte Ltd

b) Wholly-owned subsidiaries of Aban Singapore Pte Ltd

c) Subsidiary of Aban International Norway AS (66%) and Aban Singapore Pte Ltd (34%)

d) Wholly-owned subsidiary of Deep Drilling Invest Pte Ltd (DDIPL)

e) The following wholly owned subsidiaries of Deep Drilling Invest Pte Ltd have been merged with DDIPL on

1. Deep Drilling 1 Pte Ltd (with effect from 01/12/2022)
2. Deep Drilling 2 Pte Ltd (with effect from 01/12/2022)
3. Deep Drilling 3 Pte Ltd (with effect from 01/12/2022)
4. Deep Drilling 4 Pte Ltd (with effect from 01/12/2022)
5. Deep Drilling 5 Pte Ltd (with effect from 01/12/2022)
6. Deep Drilling 7 Pte Ltd (with effect from 01/12/2022)
7. Deep Drilling 8 Pte Ltd (with effect from 01/12/2022)

f) Aban Pearl Pte Ltd a wholly owned subsidiary Aban Singapore Pte Ltd has since been struck off from ACRA, Singapore on 8th May,2023.

Besides the above, the financials of Belati Oilfield Sdn Bhd, Malaysia, an associate company with 49% interest held by Aban Singapore Pte Ltd, have been considered in the consolidated accounts of Aban Holdings Pte Ltd under Equity method of accounting.

The consolidated financial statements have been prepared after considering adjustments to align the accounts of foreign subsidiaries with the requirements of applicable Indian Accounting Standards.

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2023

5(a). Property,plant and equipment

Rs.millions

	Land-Freehold	Buildings	Offshore Jack-up rigs	Drillship	Other Machineries	Wind Mills	Office Equipment	Furniture and Fixtures	Vehicles	Total
Year ended 31st March 2022										
Gross Carrying amount										
Opening gross carrying amount	128.56	109.86	147,136.84	34,816.18	4.08	70.82	74.19	38.29	34.71	182,413.54
Additions	-	-	6.69	-	-	-	0.80	-	2.55	10.05
Disposals	-	-	(31,820.35)	-	-	-	-	-	(1.82)	(31,822.17)
Impairment charge	-	-	-	-	-		-	-	-	0.00
-Exchange differences	-	-	4,935.13	1,228.54	-	-	(59.29)	(36.18)	0.83	6,069.03
Assets Re-classified as Assets Held for Sale	-	-	(77,789.13)	(36,044.72)	-	-	-	-	-	(113,833.85)
Closing Gross Carrying amount	**128.56**	**109.86**	**42,469.18**	**-**	**4.08**	**70.82**	**15.71**	**2.11**	**36.28**	**42,836.61**
Accumulated Depreciation										
Opening accumulated depreciation	-	17.26	123,546.36	30,080.35	-	41.68	48.68	3.96	20.65	153,758.93
Depreciation charged during the year	-	2.43	1,438.18	4.18	-	-	0.89	0.00	2.78	1,448.44
Disposals	-	-	(28,677.90)	-	-	-	-	-	(1.82)	(28,679.72)
Impairment charge	-	-	5,775.50	4,293.21	-	-	-	-	-	10,068.71
-Exchange differences	-	-	3,993.37	1,308.57	-	-	(39.44)	(3.11)	0.84	5,260.22
Assets Re-classified as Assets Held for Sale	-	-	(67,019.09)	(35,686.31)	-	-	-	-	-	(102,705.39)
Closing Accumulated Depreciation	**0.00**	**19.68**	**39,056.41**	**(0.00)**	**0.00**	**41.68**	**10.13**	**0.85**	**22.44**	**39,151.19**
Net Carrying amount	**128.56**	**90.18**	**3,412.77**	**0.00**	**4.08**	**29.14**	**5.58**	**1.27**	**13.85**	**3,685.42**

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2023

	Land-Freehold	Buildings	Offshore Jack-up rigs	Drillship	Other Machineries	Wind Mills	Office Equipment	Furniture and Fixtures	Vehicles	Total
Year ended 31st March 2023										
Gross Carrying amount										
Opening gross carrying amount	128.56	109.86	42,469.18	-	4.08	70.82	15.71	2.11	36.28	42,836.62
Additions	-	-	-	-	-	-	0.40	-	4.80	5.20
Disposals	-	-	(33,797.74)	-	(4.08)	(29.12)	-	-	(23.95)	(33,854.89)
Impairment charge	-	-	-	-	-		-	-	-	-
-Exchange differences	-	-	17,641.89	-	-	-	0.02	-	2.67	17,644.58
Assets Re-classified as Assets Held for Sale	(123.45)	-	-	-	-	-	-	-	-	(123.45)
Closing Gross Carrying amount	**5.12**	**109.86**	**26,313.33**	**-**	**-**	**41.70**	**16.14**	**2.11**	**19.81**	**26,508.06**
Accumulated Depreciation										
Opening accumulated depreciation	-	19.68	39,056.41	-	-	41.68	10.13	0.85	22.44	39,151.19
Depreciation charged during the year	-	2.43	465.03	-	-	-	0.81	-	2.77	471.04
Disposals	-	-	(23,735.76)	-	-	-	-	-	(23.30)	(23,759.06)
Impairment charge	-	-	-	-	-	-	-	-	-	-
-Exchange differences	-	-	7,367.93	-	-	-	0.01	-	2.47	7,370.41
Assets Re-classified as Assets Held for Sale	-	-	-	-	-	-	-	-	-	0.00
Closing Accumulated Depreciation	**-**	**22.11**	**23,153.61**	**-**	**-**	**41.68**	**10.95**	**0.85**	**4.38**	**23,233.58**
Net Carrying amount	**5.12**	**87.76**	**3,159.72**	**0.00**	**(0.00)**	**0.02**	**5.19**	**1.27**	**15.43**	**3,274.49**

Bank borrowings are secured by rigs of the parent company and its foreign subsidiaries with carrying amounts of ₹ 3,166.86 Million and freehold lands of parent company with amounts of ₹ 123.45 Million as at the Balance sheet date. [(note: 10(a))].

The reversal of impairment (Net) is recognised in respect of certain rigs classified under Non-Current Assets held for sale to bring the carrying value of such rigs to its realisable value in terms of the sale and purchase agreement executed by the foreign step-down subsidiaries during Financial Year 2022-23.

5(b) Intangible assets

Rs.millions

	Licence / E&E assets	Total
At 1st April 2021	3,256.49	3,256.49
Additions	-	-
Disposals		-
Impairment charge	-	-
-Exchange differences	100.73	100.73
-Borrowing costs	-	-
At 31st March 2022	**3,357.22**	**3,357.22**
Cost		
At 1st April 2022	3,357.22	3,357.22
Additions	-	-
Disposals		-
Impairment charge	-	-
-Exchange differences	297.75	297.75
-Borrowing costs	-	-
At 31st March 2023	**3,654.97**	**3,654.97**
Net carrying amount		
At 31st March 2023	3,654.97	3,654.97
At 31st March 2022	3,357.22	3,357.22
	31st March 2023	31st March 2022
Representing	**Licence / E&E assets**	**Licence / E&E assets**
Farm-out Interest	2,741.25	2,517.94
Retained Interest	913.72	839.29
	3,654.97	**3,357.22**

a. Licence / Exploration & Evaluations Assets – During the financial year 2019, the wholly owned foreign subsidiary of the Parent Company, through its new incorporated subsidiary company Caldera Petroleum (UK) Petroleum Limited has acquired the UK Continental Shelf Petroleum Production Licence No : P198 Block 15/13 a and 15/13 b in the UK Central North Sea (Licence) for a consideration of Rs 5,649.00 Million. Subsequently it sold 50% of its interest in the Licence to Hibiscus and entered into a joint operating agreement with them. Refer Note 29(a) for details.

The Licence is carried at cost without amortization but is tested for impairment whenever there is any objective evidence or indication that the asset may be impaired.

Exploration & Evaluation of Assets relate to conceptual study costs incurred for development in the Marigold and Sunflower fields amounts to Rs.261.89 Million (Previous Year: Rs.261.89 Million)

During the financial year ended 31 March 2021, the Group, through its wholly owned subsidiary corporation Caldera, entered into a farm-out agreement with Hibiscus to transfer 37.5% interest in the licence and share the costs and risks associated with the exploration activities on the Marigold and Sunflower fields. As part of the farm-out arrangement, Hibiscus will contribute the additional funds which is required to achieve the farm development plan and the development costs for the 12.5% interest retained by the Group, capped at INR 2,508.22 Million.

The 37.5% interest in the licence may be required to transfer back to the Group if:-

Caldera agrees to reimburse the contributions made by Hibiscus; or

Hibiscus is unable to proceed with the development of the project either due to change in market dynamics or inability to raise equity and loans.

As at the balance sheet date, the Company has not received the sale consideration. In accordance with the accounting policy described in Note XI to the financial statements, the gain on disposal will be recognised in the statement of comprehensive income when the consideration is received.

5(c) Non- Current Assets Held for Sale and Discontinued Operations:

The downturn in the Oil & Gas industry and the consequential reduced day rates that the offshore rigs are commanding in the current market conditions has put the Company in severe cashflow crisis leading to difficulty in timely servicing of outstanding debt. During the financial year 2020-21, the Board of Directors and the Shareholders of the Company accorded their approval to sell, transfer, deliver or otherwise dispose- off certain rigs owned by the Parent Company. The net proceeds that would be realized from the sale of such rigs shall be utilized to repay the outstanding debt of the Company to the consortium of lenders. The sale was highly probable and expected to be completed within one year.

During the year 2022-23, the Parent Company sold 3 offshore units and delivered it to the buyer.

During the year 2022-23,wholly owned foreign subsidiary (WOS), sold 7 offshore units and delivered it to the buyer.

Discontinued operations are excluded from the results of the continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss. All other notes to the financial statements include amounts from continuing operations unless otherwise mentioned.

In accordance with Ind AS 105, these offshore rigs and drillships have been reclassified as non-current assets held-for-sale as at 31st March 2023 as under:

Class of Assets	**As at 31st March 2023 Rs. Millions**	**As at 31st March 2022 Rs. Millions**
Offshore Jack-up Rigs	7.14	10,944.20
Drillships	-	845.02
Free hold land	123.45	-
Total	130.59	11,789.22

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2023

6 (a). Non-current investments

	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs. millions
Trade Investment (valued at cost unless stated otherwise)		
Investment in joint ventures/associates		
0.05 million(31st March 2022:0.05 million) equity shares of ₹ 100 each fully paid in Frontier Offshore Exploration(India) Limited	-	-
(at cost less provision for other than temporary diminution in value Rs.4.99 million(31st March 2022:Rs.4.99 million))	-	-
0.17 million (31st March 2022 : 0.17 million) equity shares of MYR 1 each in Belati Oilfield Sdn Bhd [(Note 29(b))]	108.17	99.86
Investments in associates-Aban Drilling Services Private Limited	0.05	0.05
Other Investments		
0.3 million (31st March 2022: 0.3 million) equity shares of ₹ 10 each fully paid in Aban Informatics Private Limited	19.85	19.85
NIL million (15% holding) (31st March 2022:0.015 million) equity shares of ₹ 10 each fully paid in Radhapuram Wintech Private Limited	-	0.15
4.011 million (31st March 2022 :4.011 million) 10% Non Cumulative Redeemable Preference shares of ₹ 10 each fully paid in Radhapuram Wintech Private Limited	40.11	40.11
NIL million (15% holding) (31st March 2022:.025) equity shares of ₹ 10 each fully paid in Aban Green Power Private Limited	-	0.25
6.613 million (31st March 2022:6.613 million) 10% Non Cumulative Redeemable Preference shares of ₹ 10 each fully paid in Aban Green Power Private Limited	66.13	66.13
	234.31	**226.40**
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	234.31	226.40
Aggregate provision for dimunition in value of investments	5.18	5.18

6(b) Trade receivables

	Non-current		Current	
	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Unsecured, considered good unless stated otherwise				
Unsecured, considered good	-	-	3,268.12	4,181.59
Doubtful	-	-	7,322.10	6,131.54
	-	-	10,590.21	10,313.13
Less: Credit Loss allowance	-	-	(7,322.10)	(6,131.54)
Total	**-**	**-**	**3,268.12**	**4,181.59**

i) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company.

Due to the nature of the Company's operations, revenue and receivable are typically concentrated amongst a relatively small customer base of oil and gas companies. The Company ensures that drilling contracts are with customers of adequate financial standing and appropriate credit history. Additionally, the customers' payment profile and credit exposure are continuously monitored. The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial assets on the balance sheet.

The credit risk for trade receivables (net of loss allowance) based on the information provided to key management is as follows:

	31st March 2023 INR millions	31st March 2022 INR Millions
By geographical areas		
Asia	3,268.12	4,181.59

Customers are mainly government-linked oil and gas corporations.

The movement in credit loss allowance for trade receivables of the Company is set out as follows:

	2023 INR millions	2022 INR Millions
Beginning of the financial year	6,131.54	5,813.07
Loss allowance recognised in Statement of profit and loss account during the financial year	667.64	82.85
Loss allowance recognised in Other Comprehensive income in Statement of profit and loss account during the financial year	522.92	235.62
End of the financial year	**7,322.10**	**6,131.54**

The Company uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables.

In measuring the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and days past due.

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2023

In calculating the expected credit loss rates, the Company purely considers historical loss rates which management is of the view that the historical conditions are representative of the conditions prevailing at the balance sheet date.

Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where recoveries are made, these are recognised in profit or loss.

The Companies credit risk exposure in relation to trade receivables under IND AS 109 as at 31st March 2023 and 2022 are set out in the provision matrix as follows:

		Past due			
	Not past due INR in Million	**< 3 months** INR in Million	**3 to 6 months** INR in Million	**More than 180 days** INR in Million	**Total** INR in Million
Group					
31 March 2023					
Trade receivables	417.30	131.86	21.73	10,019.33	10,590.22
Loss allowance	-	-	-	(7,322.10)	(7,322.10)
31 March 2022					
Trade receivables	595.55	338.34	17.85	9,361.39	10,313.13
Loss allowance	-	-	-	(6,131.54)	(6,131.54)

Trade Receivables Ageing Schedule

Particulars	Outstanding for following periods from due date of Payments					
	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	more than 3 years	Total
(i) Undisputed Trade Receivables - Considered Goods	570.89	0.51	-	-	2,442.05	3,013.45
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	7,322.10	7,322.10
Loss Allowance					(7,322.10)	(7,322.10)
(iv) Disputed Trade Receivables - Considered Goods	-	-	-	-	254.67	254.67
(v) Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-

6 (c) Loans

	Long Term		Short Term	
	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Advances recoverable in cash or kind				
Secured considered good	-	-	-	-
Unsecured considered good	913.17	282.03	1,150.31	572.19
Doubtful	-	-	-	-
	913.17	282.03	1,150.31	572.19
Provision for doubtful advances	-	-	-	-
	913.17	282.03	1,150.31	572.19
Loans to employees	13.14	12.36	9.35	15.32
	926.30	**294.39**	**1,159.66**	**587.51**

6(d). Cash and cash equivalents

	Non-current		Current	
	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Cash and cash equivalents				
Balances with banks:				
- On current accounts	-	-	1,484.08	862.90
-- Deposits with original maturity of less than three months	-	-	-	-
Cash on hand	-	-	0.95	1.55
	-	**-**	**1,485.03**	**864.45**

6(e). Other bank balances

	Non-current		Current	
	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
On unpaid dividend account	-	-	-	4.04
-Deposits with original maturity for more than 12 months	14.71	11.83	-	-
- Margin money deposit	9.65	-	-	10.54
	24.36	11.83	-	14.58
Amount disclosed under other financial assets (See note 6(e))	**(24.36)**	**(11.83)**	-	-

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2023

6(f). Other financial assets

	Long Term		Short Term	
	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Security deposit				
Secured, considered good	-	-	-	-
Unsecured, considered good	2.10	14.63	723.14	782.57
Doubtful	-	-	-	-
	2.10	14.63	723.14	782.57
Provision for doubtful security deposit	-	-	-	-
	2.10	**14.63**	**723.14**	**782.57**
Prepaid expenses	0.71	-	-	-
Balances with statutory/government authorities	198.56	192.61	505.39	163.73
Non current bank balances [Note 6 (e)]	24.36	11.56	-	-
Other loans and advances				
Advance income-tax(net of provision for taxation)	906.70	488.06	-	-
Input Tax Credit GST (Net of GST Liabilities)	-	-	382.36	597.25
	1,132.43	**702.05**	**684.60**	**1,389.46**

7. Other assets

	Non-current		Current	
	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Interest accrued on fixed deposits	-	-	13.87	2.70
Prepaid Expenses	-	-	2.72	46.07
Capital Advances	-	-	3.56	-
Total	**-**	**-**	**20.15**	**48.77**

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2023

8. Inventories

	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Stores, Spares and Fuel	966.14	1,949.89
Goods in Transit	-	13.68
Total	**966.14**	**1,963.57**

9(a). Equity Share capital

	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Authorised shares (No. millions)		
2,500 (31st March 2022: 2,500) Equity Shares of Rs.2/- each	**5,000.00**	**5,000.00**
Issued , subscribed and fully paid -up Equity shares (No. in millions)		
Equity Shares		
36.88 (31st March 2022: 36.88) equity shares of Rs.2/- each	73.75	73.75
0.85 (31st March 2022: 0.85) equity shares of Rs.2/- each issued against conversion of foreign currency convertible bonds	1.70	1.70
0.16 (31st March 2022: 0.16) equity shares of Rs.2/- each issued against employee stock option scheme	0.33	0.33
16.47 (31st March 2022: 16.47) equity shares of Rs.2/- each issued against qualified institutional placement	32.94	32.94
4.00 (31st March 2022:4.00) equity shares of Rs. 2/- each issued against conversion of share warrants alloted on a preferential basis	8.00	8.00
0.01 (31st March 2022: 0.01) Shares Forfeited -equity shares at Re 1/- each	0.01	0.01
	116.73	**116.73**

Reconciliation of the shares oustanding at the beginning and at the end of the reporting period

(a) Reconciliation of the shares oustanding at the beginning and at the end of the reporting period Equity shares of Rs 2 each

	31st March 2023		31st March 2022	
	No. millions	Rs. millions	No. millions	Rs.millions
At the beginning of the period	58.36	116.73	58.36	116.73
Issued during the period	-	-	-	-
Outstanding at the end of the period	**58.36**	**116.73**	**58.36**	**116.73**
Total Value of Outstanding Shares		**116.73**		**116.73**

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2023

Terms / rights attached to equity shares

The Parent Company has only one class of equity shares having a face value of Rs.2 per share. Each holder of equity shares is entitled to one vote per share. The Parent Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2023, the amount of per share dividend recognized as distributions to equity shareholders is Nil (31st March 2022: Nil).

Shares Reserved for Issue under Options

The Parent company has reserved 1.84 million equity shares of Rs.2 each for offering to employees under the Employee Stock Option Scheme (ESOS) (31st March 2022:1.84 million equity shares of Rs.2 each) out of which 0.16 million equity shares of Rs.2 each have been already allotted up to the balance sheet date under the scheme and included under the paid up capital (31st March 2022: 0.16 million equity shares of Rs.2 each)

Details of shareholders holding more than 5% shares in the Company

	31st March 2023		31st March 2022	
	No. millions	% holding in the class	No. millions	% holding in the class
Equity shares of Rs.2 each fully paid				
Reji Abraham	5.63	9.64%	5.63	9.64%
Deepa Reji Abraham	4.04	6.92%	4.04	6.92%
India Offshore Inc	8.33	14.27%	8.33	14.27%
Aban Investments Private Limited	5.65	9.68%	5.65	9.68%
	23.65	**40.51%**	**23.65**	**40.51%**

Details of Shareholders of Promoters

	31st March 2023		31st March 2022	
	No. millions	% holding in the class	No. millions	% holding in the class
Equity shares of Rs.2 each fully paid				
Reji Abraham	5.63	9.64%	5.63	9.64%
Aban Investments Private Limited	5.65	9.68%	5.65	9.68%
	11.28	**19.32%**	**11.28**	**19.32%**

During the period of 5 years immediately preceding the Balance Sheet date;

- The Company issued no shares without payment being realized in Cash.
- Allotted no bonus shares
- No Shares have been bought back.

As per the records of the company, including its register of shareholders/members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

9 (b). Other equity

	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Capital Reserve as per last Balance Sheet	**0.03**	**0.03**
Securities Premium Account		
Balance as per last Balance Sheet	**17,800.78**	17,800.78
	17,800.78	**17,800.78**
Investment Allowance Reserve-utilised as per last Balance Sheet	**52.40**	**52.40**
Capital Redemption Reserve		
Balance as per last Balance Sheet	2,810.00	2,810.00
Add: Transfer from statement of profit and loss	-	-
	2,810.00	**2,810.00**
General Reserve		
Balance as per last financial statements	1,479.79	1,479.79
Add: Transfer from statement of profit and loss	-	-
	1,479.79	**1,479.79**
Translation Reserve		
Balance as per last financial statements	(10,186.43)	(5,056.40)
Movements during the year	(16,926.78)	(5,130.03)
	(27,113.21)	**(10,186.43)**
Surplus/(deficit) in the statement of profit and loss		
Balance as per last financial statements	(2,07,198.04)	(1,85,430.80)
Profit/(Loss) for the year	(10,907.47)	(21,770.78)
Net gain/(loss) on fair value through OCI	(1.15)	(0.07)
Expected return on Plan assets & Net Actuarial gain/(loss) recognised during the year through OCI	(7.57)	3.61
Net Surplus/(deficit) in the statement of profit and loss	**(2,18,114.23)**	**(2,07,198.04)**
Total Other Equity	**(2,23,084.44)**	**(1,95,241.53)**

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2023

10 (a). Borrowings

	Non-current maturities		Current maturities	
	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Term loans				
Foreign currency term loans from banks (secured)	-	-	1,48,346.49	1,48,321.14
Rupee term loans from banks (secured)	-	-	-	1,163.87
Rupee term loans from banks (unsecured)	-	-	191.92	191.92
Other loans				
Non-convertible Redeemable Preference Shares(unsecured)	-	-	2,810.00	2,810.00
	-	**-**	**1,51,348.41**	**1,52,486.93**
The above amount includes				
Secured borrowings	-	-	1,48,346.49	1,49,485.01
Unsecured borrowings	-	-	3,001.92	3,001.92
	-	**-**	**1,51,348.41**	**1,52,486.93**

Rs in Millions

S no	Particulars	Maturity Date	Terms of repayment	Coupon/ Interest rate	As at 31st March 2023	As at 31st March 2022
a	Term loans from banks	2017-2018	Loans recalled and Payable on demand	Varies from bank to bank	1,44,611.22	1,44,890.16
b	Foreign currency loan (USD)	2017-2018	Loans recalled and Payable on demand	6 months LIBOR + 6% to 8% p.a.	3,735.27	4,594.86
c	Rupee term loans from banks	2017-2018	Loans recalled and Payable on demand	14% to 15% p.a.	191.92	191.92
d	Non Convertible Redeemable Preference shares	2014-2016	Overdue for Payment	12% p.a.	2,810.00	2,810.00
	Total Borrowings				**1,51,348.41**	**1,52,486.93**
	Less: Current maturities of long term debt				1,51,348.41	1,52,486.93
	Non-Current borrowings				**-**	**-**

1 Loans under (a) above are secured by first and second charge on specific drilling rigs of the foreign subsidiary company and first charge on drilling rigs owned by Parent company & first pari-passu charge on the receivables arising out of deployment of the drilling rigs of the foreign subsidiary company. The rate of interest varies from bank to bank depending on the currency in which loans are being denominated in the books of each bank. The Loans are under default for a period of 6 years to 8 years.

2 Loans under (b) above are secured by first and second charge on specific offshore drilling rigs owned by foreign subsidiaries and first mortgage on windmill lands owned by the parent company. The Loan is under default for a period of 6 years.

3 Loans under (c) above are unsecured and is under default for a period of 6 years.

4 As per IND AS, Preference share capital is grouped under Borrowings and is under default for a period of 6 to 8 years.

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2023

5 Since all term loans have been recalled by the lenders the entire term loans are classified as current liabilities as at 31st March, 2023.

i) All the secured lenders of term loans (banks) have issued recall notices during the year. Also one of the secured lenders has issued notice dated 7th May 2018 under section 13(2) of Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest Act , 2002 (SARFAESI Act) through the security trustee calling upon the company to pay the outstanding amount with interest in 60 days from the date of notice, failing which the bank would exercise the powers under section 13(4) of SARFAESI Act. The lender has since taken possession of the Land and is in the process of being auctioned.

ii) The Company has not redeemed its Non-Convertible Cumulative Redeemable Preference Shares on due dates. Two of the preference shareholders of the Company has filed a commercial suit before the Honourable High Court of Judicature at Bombay and these cases are pending before the Honourable High Court. One of the preference shareholder had filed petitions under section 55 of the Companies Act, 2013 / under section 80 of the Companies Act, 1956 before the Honourable National Company Law Appellate Tribunal ("NCLAT"), Delhi for non-redemption of Non-Convertible Cumulative Redeemable Preference Shares. NCLAT remitted the case back to National Company Law Tribunal ("NCLT") , Chennai for fresh consideration. Against this order, the Company had filed an appeal in Supreme Court. This appeal has been dismissed by Supreme Court.

iii) One of the Preference shareholders has filed a Class action suit against the Company for Non-redemption of preference shares before National Company Law Tribunal, New Delhi and the same is pending for hearing as at the year end.

10 (b) Other financial liabilities

	Non-current		Current	
	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Interest accrued and due on borrowings	-	-	81,987.59	66,212.10
Investor Education and Protection Fund will be	-	-	-	-
credited by following amounts (as and when due)	-	-	-	-
- Unclaimed dividends	-	-	-	4.04
Dividend accrued and due on redeemable preference share (including penalty)	-	-	2,617.94	2,280.74
Provision for tax on redeemable preference share dividend			345.87	345.87
	-	**-**	**84,951.40**	**68,842.75**

11. Employee benefit obligations

	Long- Term		Short-term	
	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Provision for employee benefits				
Provision for Provident Fund	-	-	0.38	0.43
Provision for Gratuity	3.29	-	8.77	-
Provision for Leave Encashment	0.81	0.81	0.04	0.04
	4.10	**0.81**	**9.19**	**0.47**

12 Deferred tax Assets

	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Deferred tax asset on timing differences		
On depreciation	464.36	579.37
	464.36	**579.37**

13 Trade payables

	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs.millions
Trade Payable	3,920.13	3,369.78
Unbilled dues	-	-
	3,920.13	**3,369.78**

Ageing for trade payables outstanding as at March 31, 2023 is as follows :

Rs in Millions

Particulars	**Outstanding for following periods from due date of payment**				**Total**
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	928.02	26.17	-	2,965.94	3,920.13
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
					3,920.13

14 Other Current liabilities

	As at 31st March 2023 Rs.millions	As at 31st March 2022 Rs.millions
Goods and Service Tax payable	133.28	104.56
Tax Deducted at Source payable	2.38	3.48
	135.66	**108.04**

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2023

15. Revenue from operations

	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs.millions
Revenue from drilling services	3,967.27	5,976.27
Revenue from wind power generation	-	7.12
	3,967.27	**5,983.40**

16. Other income

	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs.millions
Rental income	6.80	6.06
Interest income on		
- Bank deposits	4.73	3.28
- Inter Corporate Deposits	41.18	41.18
Net gain on sale of Tangible assets	0.56	2.09
Provision no longer required written back	50.16	19.64
Miscellaneous Income	349.41	77.25
	452.84	**149.52**

17. Consumption of Stores, Spares, power and Fuel

	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs.millions
Consumption of stores and spares	789.67	667.23
Power and Fuel	50.33	218.43
	840.00	**885.65**

18. Employee Benefit Expense

	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs.millions
Salaries,wages and bonus	1,030.69	1,576.33
Contribution to provident fund	4.21	4.84
Gratuity expense	4.51	1.94
Post-employment pension benefits	6.03	5.80
Staff welfare expenses	14.76	20.99
	1,060.20	**1,609.90**

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2023

19. Finance costs

	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs.millions
Interest on borrowings	10,758.57	10,629.14
Dividend on non-convertible Redeemable Preference Shares	337.20	337.20
	11,095.77	**10,966.34**

20. Other expenses

	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs.millions
Freight and Forwarding Cost	14.05	4.66
Rent	25.46	25.69
Rates and taxes	142.52	64.99
Rental charges for Machinery	362.08	194.74
Insurance	42.22	196.20
Repairs and maintenance:		
-Plant and machinery	0.10	12.86
-Buildings	3.02	1.42
-Others	2.41	3.28
Advertising and sales promotion	0.73	0.48
Travelling ,conveyance and Transportation	327.95	340.09
Communication Costs	41.47	56.55
Printing and Stationery	1.31	0.90
Professional and Consultancy Expenses	903.31	925.64
Catering Expenses	47.40	156.70
Directors' Sitting Fees	1.04	1.52
As Auditor		
-Audit fee	15.70	39.18
-Tax audit fee	0.40	1.10
-Limited review	1.35	1.40
Exchange Difference(net)	282.71	127.05
Miscellaneous expenses	202.83	211.16
	2,418.06	**2,365.61**

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2023

21. Fair value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The group categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability. Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

Financial Instruments by category Rs. Millions

Particulars	31st March 2023			31st March 2022		
	FVPL	FVOCI	Amortized Cost	FVPL	FVOCI	Amortized Cost
Financial Assets						
Investments- Equity Instruments	-	-	234.31	-	-	226.40
Trade Receivables	-	-	3,268.12	-	-	4,181.59
Loans	-	-	2,085.96	-	-	881.89
Cash and Bank Balances	-	-	1,485.03	-	-	879.03
Other Financial assets	-	-	1,817.04	-	-	2,091.50
Total	**-**	**-**	**8,890.44**	**-**	**-**	**8,260.41**
Financial Liabilities						
Borrowings & other financial liabilities	-	-	2,36,299.81	-	-	2,21,329.68
Trade payables	-	-	3,920.13	-	-	3,369.78
Total	**-**	**-**	**2,40,219.94**	**-**	**-**	**2,24,699.45**

Fair value of financial assets and liabilities measured at amortised cost Rs. Millions

Particulars	31st March 2023		31st March 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Non current financial assets				
Loans	926.30	926.30	294.39	294.39
Other financial assets	1,132.44	1,132.44	214.30	214.30
Total	**2,058.74**	**2,058.74**	**508.69**	**508.69**
Non current Financial Liabilities				
Borrowings	-	-	-	-
Total	**-**	**-**	**-**	**-**

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2023

22. Financial risk factors

TThe Company's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management strategy seeks to minimize adverse effect from the unpredictability of financial markets on the Company's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Company. They review and agree on the policies for managing each of these risks and are summarised as follows:

The main financial risks faced by the Company relate to fluctuations in interest and foreign exchange rates, the risk of default by counterparties to financial transactions and the availability of funds to meet business needs. The management of these risks is set out below.

Foreign exchange risk

The Company is exposed to foreign exchange risk principally via :

- transactional exposure that arises from the sales / receivables denominated in a currency other than the functional currency of the company.

Receivables

Rs. Millions

Currency	2022 - 2023	2021 - 2022
USD	2,614.47	2,475.15
EURO	277.79	259.58

- Transactional exposure that arises from the cost of goods sold / payables denominated in a currency other than the functional currency of the Company.

Payables

Rs. Millions

Currency	2022 - 2023	2021 - 2022
USD	0.17	0.16
AED	0.33	0.31
GBP	-	0.53

- Foreign currency exposure that arises from foreign currency term loans / Working Capital loans (including interest payable) denominated in a currency other than the functional currency of the Company.

Loans including interest payable

Rs. Millions

Currency	2022 - 2023	2021 - 2022
USD	5,274.74	4,845.04

- Cash and cash equivalents held in foreign currency.

Cash & Cash equivalents

Rs. Millions

Currency	2022 - 2023	2021 - 2022
USD	3.05	3.96
AED	5.40	5.59

All these unhedged exposures are naturally hedged by future foreign currency earnings.

The impact on the Company financial statements from foreign currency volatility is shown in the sensitivity analysis.

Sensitivity analysis

The sensitivity analysis reflects the impact on income and equity due to financial instruments held at the balance sheet date. It does not reflect any change in sales or costs that may result from changing interest or exchange rates.

The following table shows the illustrative effect on the Consolidated Income Statement and equity that would result, at the balance sheet date, from changes in currency exchange rates that are reasonably possible for major currencies where there have recently been significant movements:

Currency Table

Rs. Millions

Currency	2022-23		2021-22	
	Income Gain / (Loss)	Equity Gain / (Loss)	Income Gain / (Loss)	Equity Gain / (Loss)
5% appreciation of USD (2022: 5 %)	(133.02)	-	(118.50)	-
10% appreciation of Euro (2022: 10%)	27.78	-	25.96	-
5% appreciation of SGD (2022: 5%)	-	-	-	-
5% appreciation of AED (2022: 5%)	(0.02)	-	(0.02)	-

Interest Rate Sensitivity

Most of the bank loans of the Group have been recalled by the lending banks and the banks have a right to charge interest as per their internal policies from time to time which is not directly linked to any external benchmark; as such, the impact of any external bench mark on the quantum of interest is not readily ascertainable.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The major classes of financial assets of the Company are bank deposits, trade receivables, amount due from associated company and amounts due from subsidiary corporations. For bank deposits, the Company maintains its cash deposits if any primarily with lenders of the Company or financial institutions with high credit quality to minimise their exposure to the banks.

Due to the nature of the Company's operations, revenue and receivable are typically concentrated amongst a relatively small customer base of oil and gas companies. Customers are government linked based oil and gas corporations. The Company has policies in place to ensure that drilling contracts are with customers of adequate financial standing and appropriate credit history, and where necessary, certain guarantees in form of bank. The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial assets on the balance sheet.

(i) Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies. Trade receivables that are neither past due nor impaired are substantially receivables from companies with a good collection track record.

(ii) Financial assets that are past due and/or impaired

The carrying amount less impairment provision of trade receivables are assumed to approximate their fair values.

There is no other class of financial assets that is past due and/or impaired except for trade receivables. The age analysis of trade receivables that are past due but not impaired is as follows:

Rs. Millions

Particulars	2022-23	2021-22
Past due upto 6 months	509.84	1,620.54
Past due over 6 months	2,758.27	2,561.05

Allowance for impairment of trade receivables arise from customers that are either in financial difficulties and/or have history at default or significant delay in payments which management is of the opinion that payments are not forthcoming as at the end of financial year. In the event that payment is doubtful, the receivables will be recommended for write off.

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2023

Liquidity risk

The drilling operations of the Company requires substantial investment and are dependent on its ability to finance its rig construction and acquisitions and service its bank borrowings as well as other capital and operating requirements and commitments. The Company ensures that arrangements have been made to obtain adequate funds to meet all its operating and capital obligations in the form of continuing committed credit facilities with banks and financial institutions.

As At 31/3/2023

Rs.millions

Non-derivative financial liabilities	Due within 1 year	Due between 1 and 2 years	Due between 2 and 3 years	Due between 3 and 4 years	Due between 4 and 5 years	Due beyond 5 years
Bank borrowings	2,30,526.00	-	-	-	-	-
Preference shares	5,427.94	-	-	-	-	-

As At 31/3/2022

Rs.millions

Non-derivative financial liabilities	Due within 1 year	Due between 1 and 2 years	Due between 2 and 3 years	Due between 3 and 4 years	Due between 4 and 5 years	Due beyond 5 years
Bank borrowings	2,15,889.03	-	-	-	-	-
Preference shares	5,090.74	-	-	-	-	-

The above amounts of Bank and Other Borrowings and Non-convertible cumulative redeemable preference shares are overdue for payment.

Capital management

(a) The Company's objectives when managing capital are to ensure the Company's ability to continue as a going concern and to maintain an optimal capital structure by issuing or redeeming additional equity, borrowings and other instruments when necessary.

As the Company is mainly funded through external borrowings, the objectives of the Board of Directors when managing capital is to ensure that the Company continue to enjoy the use of funds from borrowings by ensuring that the Company continue to service its debt obligations in the form of interests and principal repayments on due dates in accordance with the borrowing agreements, and to ensure that they remain in compliance with the financial and non-financial covenants in relation to their borrowings.

The Company considers capital to comprise of its equity and borrowings, as follows:

Rs. Millions

Particulars	2022 - 2023	2021 - 2022
Total Equity	(2,22,967.71)	(1,95,124.80)
Borrowings	1,51,348.41	1,52,486.93

(b) Fair value measurements

The carrying amounts less impairment provision of trade receivables and payables are assumed to approximate their fair values. The carrying amounts of current borrowings approximate their fair values.

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2023

23. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations

	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs.millions
Loss for the year	(10,907.47)	(21,770.78)
	(10,907.47)	(21,770.78)
	No. millions	**No. millions**
Weighted average number of equity shares in calculating basic EPS	58.36	58.36
Effect of dilution:		
Stock options/Share Warrants Outstanding less number of shares that would have been issued at par value.	*	*
Weighted average number of equity shares in calculating diluted EPS	58.36	58.36
Earning per share (basic in Rs)	(186.90)	(373.04)
Earning per share (diluted in Rs)	(186.90)	(373.04)

* Since diluted earnings per share shows higher value as compared to basic earnings when taking the options/ warrants into account, the options/warrants are anti-dilutive as at the year ended 31.03.2023 and are ignored in the calculation of diluted earnings per share as required under the Accounting Standard.

24. Gratuity and other defined benefit plans

The company operates a gratuity benefit plan which is funded with an insurance company in the form of a qualifying insurance policy. The company operates a leave encashment plan which is not funded.

Contribution to Provident Fund which is a defined contribution retirement plan is made monthly at a predetermined rate to the Provident Fund Authorities and is debited to the Statement of Profit and Loss on accrual basis.

Contribution to National Pension System (NPS), which is defined contribution retirement plan, is made annually at predetermined rate to Pension Funds which administer the fund and debited to the Statement of Profit and Loss

25. Employee stock option scheme

The Company has instituted Employee Stock Option Scheme-2005 (ESOS) duly approved by the shareholders in the extra-ordinary general meeting of the company held on 23rd April 2005. As per the scheme, the compensation committee of the board evaluates the performance and other criteria of employees and approves the grant of option. These options vest with employees over a specified period subject to fulfillment of certain conditions. Upon vesting, employees are eligible to apply and secure allotment of company's equity share at the prevailing market price on the date of the grant of option.

The Securities Exchange Board of India (SEBI) issued the Employee Stock Option Scheme and Employees Stock Purchase Scheme guidelines in 1999, applicable to stock option schemes on or after 19th June 1999. Under these guidelines, the excess of the market price of the underlying equity shares as of the date of the grant over the exercise price of the option is to be recognized and amortized on a straight line basis over the vesting period.

The Company has not recognized any deferred compensation expenses, as the exercise price was equal to the market value (as defined by SEBI) of the underlying equity shares on the grant date.

Maximum number of options that may be granted under the scheme is 1.843 million equity shares of ₹2 each. Options granted during the year-Nil (up to 31st March 2022: 1.843 Million equity shares of ₹ 2 each)-Options lapsed during the year 0.10 Million (up to 31st March 2022: 0.331 million equity shares of ₹ 2 each)-Options exercised during the year- Nil (up to 31st March 2022: 0.160 million equity shares of ₹ 2 each)-Options outstanding at the end of year :0.543 million equity shares of ₹ 2 each (up to 31st March 2022: 1.352 million equity shares of ₹ 2 each).

26. Interest in joint venture/associate

(a) (a) The Parent company's interest, in joint venture entity/associate is as follows:

Name of the company	Country of incorporation	Nature of Interest	Proportion of ownership interest 31st March 2023	Proportion of ownership interest 31st March 2022
Frontier Offshore Exploration (India) Limited	India	Joint Venture	25%	25%
Belati Oilfield Sdn Bhd	Malaysia	Associate	49%	49%
Aban Drilling Services Pvt Ltd	India	Associate	49%	49%

The Parent company has ceased to have joint control over Frontier Offshore Exploration (India) Limited and has also provided for diminution in the value of long term investment considering the state of affairs of the joint venture company.

The Management of the company determined that it does not control (as defined in Para 7 of IND AS 110 "Consolidated Financial Statements") "Aban Drilling Services Pvt Ltd" and hence not considered its financials for consolidation purpose.

The wholly owned foreign subsidiary of the Parent Company, through its subsidiary company Caldera Petroleum (UK) Petroleum Limited has entered into joint operating agreement with Anasuria Hibiscus (UK) Ltd (Hibiscus) for exploration, development and production of oil and gas from UK Continental Shelf Petroleum Production Licence No : P198 Block 15/13 a and 15/13b in the UK Central North Sea (Licence). Hibiscus has been appointed as the operator.

Each party has a legal 50% interest in the licence, all costs and obligations incurred in, and all rights and benefits arising out of the conduct of the joint operations shall be owned and borne by the wholly owned foreign subsidiary group companies and Hibiscus in proportion to their respective percentage of interest in the licence. The financial information of the joint operation is not disclosed as the financial impact is not material.

(b) The company's share of the assets, liabilities, Revenue and Profit in the associate company –Belati Oilfield Sdn Bhd, based on the audited financial statements are as follows:

	Year ended 31st March 2023 Rs. millions	Year ended 31st March 2022 Rs.millions
Assets-As at	0.06	1.67
Liabilities-As at	(106.85)	(98.42)
Revenue for the year ended	-	77.30
Net Profit for the year ended	(2.02)	(11.01)

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2023

27. Segment information

The Company is engaged primarily in the business of offshore drilling services. The wind energy division of the Company does not meet the quantitative threshold as per IND AS 108.Accordingly there is no requirement of segment reporting as per the said Accounting Standard.

28. Related Party Disclosures

Names of related parties and related party relationship

Related parties where control exists

A. Associate Company of Aban Holdings Pte Ltd (wholly owned subsidiary of Aban Offshore Ltd.)

Belati Oilfield Sdn Bhd, Malaysia

B. Other Related Parties

a. Key Management personnel

(i)	Mr. Reji Abraham	Managing Director
(ii)	Mr. C. P. Gopalkrishnan	Dy. Managing Director and Chief Financial Officer

b. Relative of Key Management Personnel – Mrs. Deepa Reji Abraham - Director

Related Party transactions during the year

Nature of transaction	Key Management Personnel/Relative 31st March 2023 Rs. millions	 31st March 2022 Rs. millions
1. Rent paid	4.95	4.95
2. Remuneration - Net of Paid / (Recovery)	57.85	62.05

Other transactions

Personal guarantee given by Managing Director of the Company to banks towards availment of Loan and non-fund based facilities - Rs 20,114.60 million (31st March 2022 : Rs 18,476.00 million)

29. In view of the loss incurred by the Parent Company during the financial year 2022-23, no managerial remuneration has been paid by the company.

30. Capital and other commitments

	31st March 2023 Rs. millions	31st March 2022 Rs. millions
Capital and Other commitments not provided for	-	-

31. Contingent liabilities

	As at 31st March 2023 Rs. millions	As at 31st March 2022 Rs. millions
(a) Guarantees given by banks on behalf of the company	2.23	630.37

(b) Claims against the company not acknowledged as debt:

As at 31st March 2023:

(i) In respect of civil suits against the Company – Rs. 94.50 Million (Previous Year Rs. 94.50 Million)

(ii) In respect of Admiralty suit against the Company – Rs. NIL (Previous Year Rs.130 Million)

(iii) **In respect of Income Tax Matters:**

Income Tax dues relating to the period 2002 – 2006 amounting to Rs. 628.25 million (Previous Year – Rs.628.25 million) pending before the Honorable High Court of Madras;

Income Tax dues relating to the period 2006 – 2008 amounting to Rs. 719.68 million (Previous Year – Rs.719.68 million) pending before the Honorable High Court of Madras.

Income Tax dues relating to the period 2008 – 2009 amounting to Rs.447.72 million (Previous Year – Rs.371.30 million) pending before the Honorable High Court of Madras.

Income Tax dues relating to the period 2009 – 2010 amounting to Rs. 688.70 million (Previous Year – Rs.195.32 million) pending before the Honorable High Court of Madras.

Income Tax dues relating to the period 2009 – 2010 amounting to Rs. 702.40 million (Previous Year – Rs.702.40 Million). Remitted back to the Deputy Commissioner by the Income tax Appellate Tribunal, Chennai for verification

Income tax dues relating to the period 2010-2011 amounting to Rs. 1,907.94 Million (Previous Year – Rs.1, 117.10 Million) pending before the Honorable High Court of Madras.

Income tax dues relating to the period 2010-2011 amounting to Rs. 298.88 Million (Previous Year – Rs.298.88 Million) pending before the Income Tax Appellate Tribunal, Chennai.

Income tax dues relating to the period 2011-2012 amounting to Rs. 854.33 Million (Previous Year – Rs.854.33 Million) pending before the Honorable High Court of Madras.

Income tax dues relating to the period 2012-2014 amounting to Rs. 2571.59 Million (Previous Year – Rs. 2571.59 Million) pending before the Income Tax Appellate Tribunal, Chennai.

Income tax dues relating to the period 2013-2014 amounting to Rs. 29.64 Million (Previous Year – Rs. 29.64 Million) pending before the Commissioner of Income Tax (Appeals).

Income tax dues relating to the period 2014-2015 amounting to Rs. 309.57 Million (Previous Year – Rs. 846.82 Million) pending before the Income Tax Appellate Tribunal, Chennai.

Income tax dues relating to the period 2014-2015 amounting to Rs. 2.59 Million (Previous Year – Rs. 2.59 Million) pending before the Commissioner of Income Tax (Appeals), Chennai.

Income tax dues relating to the period 2015-16 amounting to Rs.541.92 Million (Previous Year – Rs. 541.92 Million). Remitted back to the Deputy Commissioner by the Income tax Appellate Tribunal, Chennai for verification.

Income tax dues relating to the period 2016-2017 amounting to Rs. 42.10 Million (Previous Year – Rs. 8.93) pending before the Income Tax Appellate Tribunal, Chennai.

Income tax dues relating to the period 2018-19 amounting to Rs 1.20 Million (Previous Year – Rs 1.20 Million) pending before the Deputy Commissioner of Income-tax, Chennai.

Income tax dues relating to the Step Down Foreign Subsidiaries for the period 2017-18 amounting to 33.85 Million (Previous Year Rs. 33.85 Million) pending before the Income Tax Appellate Tribunal, Chennai.

Income tax dues relating to the Step Down Foreign Subsidiaries for the period 2018-2020 amounting to 573.55 Million (Previous Year Rs. NIL) pending before the Income Tax Appellate Tribunal, Chennai

Income tax dues relating to the Step Down Foreign Subsidiary for the period 2016-2017 amounting to 23.45 Million (Previous Year Rs. NIL) pending before the Honorable High Court of Madras.

(iv) In respect of Service Tax Matters:

Service Tax dues relating to the year 2006-2011 amounting to Rs. 78.73 Million (Previous Year Rs. 78.73 Million) pending before the CESTAT,Chennai.

Service Tax dues relating to the period 2011 – 2012 amounting to Rs. 18.94 Million (Previous Year -Rs.18.94 Million) pending before the CESTAT ,Chennai.

Service Tax Dues relating to the period FY 2006-07 amounting to Rs.46.76 Million (Previous Year -Rs. 46.76 Million) Pending before the Honorable Supreme Court, New Delhi.

Service Tax dues relating to the period 2012 – 2014 amounting to Rs. 36.78 Million (Previous Year – Rs. 36.78 Million) pending before the CESTAT ,Chennai.

Service Tax dues relating to the period 2014 – 2015 amounting to Rs. 79.80 Million (Previous Year – Rs. 79.80 Million) pending before the CESTAT ,Chennai.

Service Tax dues relating to the period 2005 – 2011 amounting to Rs. 37.31 Million (Previous Year – Rs. 37.31 Million) pending before the CESTAT ,Chennai.

Service Tax dues relating to the period 2012 – 2014 amounting to Rs. 236.49 Million (Previous Year – Rs. 236.49 Million) pending before the CESTAT ,Chennai.

Service Tax dues relating to the period 2015 – 2016 amounting to Rs. 0.60 Million (Previous Year – Rs. 0.60 Million) pending before the CESTAT ,Chennai

Service Tax dues relating to the period 2015 – 2017 amounting to Rs. 223.02 Million (Previous Year – Rs. 223.02 Million) pending before the CESTAT ,Chennai

Service Tax dues relating to the period 2008 – 2010 amounting to Rs.605.75 Million (Previous Year – Rs. 605.75 Million). The CESTAT Mumbai disposed the matter in favour of the Company. However, the Department has filed an appeal to the Supreme Court and is pending to be heard.

Service Tax dues relating to the period 2009 – 2012 amounting to Rs. 166.89 Million (Previous Year – Rs. 166.89 Million) pending before the CESTAT,Mumbai.

Service Tax dues relating to the period 2013-2015 amounting to Rs. 6.31 Million (Previous Year Rs. 6.31 Million) pending before the CESTAT, Mumbai

Service Tax dues relating to the period 2009-2016 amounting to Rs.NIL (Previous Year – Rs. 495.92 Million) The Honorable High Court of Bombay ruled in favour of the Company.

Service Tax dues relating to the period 2017-2018 amounting to Rs. 49.96 Million (Previous Year – Rs. 49.96) pending before the CESTAT, Chennai

Goods and services tax dues relating to the period 2017-2018 amounting to Rs.13.92 Million (Previous Year – Rs. 13.92 Million) pending before the Appellate Authority.

Service Tax dues relating to Step Down Foreign Subsidiary relating to the period 2016-2017 amounting to Rs. NIL (Previous Year – Rs. 99.40 Million). The Honorable High Court of Bombay ruled in favour of the Company.

Service Tax Interest and Penalty Dues relating to Step Down Foreign Subsidiary relating to the period 2016-17 amounting to Rs. 340.56 Million (Previous Year – 340.56 Million) pending before the CESTAT, Mumbai.

Service Tax dues relating to the Step Down Foreign Subsidiaries for the period 2016-17 amounting to Rs. 2.97 Million pending before the Appellate Authority.

Service Tax dues relating to Step Down Foreign Subsidiary relating to the period 2012-2014 amounting to Rs.11.03 Million (Previous Year – 11.03 Million) pending before the CESTAT, Mumbai.

(v) In Respect of Sales Tax / Value Added Tax:

Sales Tax dues for the period 2010-11 amounting to Rs... 984.91 Million (Previous Year – Rs... 984.91 Million) pending before Tribunal.

Sales Tax dues for the period 2012-13 amounting to Rs.. 459.75 Million (Previous Year – Rs.. 459.75 Million) pending before Tribunal.

Sales Tax dues for the period 2013-14 amounting to Rs.. 587.29 Million (Previous Year 587.29 Million) pending before the Appellate Authority.

Sales Tax dues for the period 2014-15 amounting to Rs.. 667.03 Million (Previous Year – Rs.. 667.03 Million). Writ Petition has been filed before the Honourable High Court of Bombay and is pending to be heard.

Sales Tax dues for the period 2015-16 amounting to Rs.. 949.23 Million (Previous Year – Rs.. 949.23 Million). Writ Petition has been filed before the Honourable High Court of Bombay and is pending to be heard.

Sales Tax dues for the period 2016-17 amounting to Rs.. 846.00 Million (Previous Year – Rs.. 846 Million) Writ Petition has been filed before the Honourable High Court of Bombay and is pending to be heard.

Sales Tax dues for the period 2017-18 amounting to Rs.. 155.68 Million (Previous Year – Rs..155.68 Million) pending before the Honourable High Court of Bombay.

(vi) In respect of Customs duty Matter:

Customs Duty dues relating to the period 2015-16 amounting to Rs.. 107.90 Million (Previous Year – Rs.. 107.90 Million) pending before CESTAT, Mumbai

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2023

32. The Maritime and Port Authority of Singapore has awarded "Approved International Shipping Enterprise "(AIS) to the operating subsidiaries of the wholly owned foreign subsidiary in Singapore from 1st June , 2016 for a period of ten years. Such operating subsidiaries of the wholly owned subsidiary are exempted from Singapore Income tax from the qualifying income under Section 13F of the Singapore Income Tax Act. However, in respect of income earned outside Singapore, necessary provision for tax has been made in accordance with applicable tax laws in respective countries.

33. Operating lease: Company as lessee

The wholly owned foreign subsidiary leases, office space and accommodation for certain employees from non-related parties under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewable rights.

The future aggregate minimum payments under the operating leases contracted for at the balance sheet date but not recognized as liabilities are analyzed as follows:

	31st March 2023 Rs. millions	31st March 2022 Rs. millions
Within one year	17.17	13.58
After one year but not more than five years	5.62	-
More than five years	-	-
	22.79	**13.58**

34. Additional Information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary

Name of the Enterprise	Net Assets i.e total assets minus total liabilities		Share in Profit or loss	
	As % of consolidated net assets	Amount Rs in Millions	As % of consolidated Profit or loss	Amount Rs in Millions
Parent				
Aban Offshore Limited	3.95	(8,806.17)	10.54	(1,149.92)
Subsidiaries				
Indian				
Aban Energies Limited	0.06	(132.82)	0.15	(16.59)
Foreign				
Aban Holdings Pte Ltd,Singapore	45.03	(1,00,401.52)	86.85	(9,472.80)
Aban Singapore Pte Ltd, Singapore	12.48	(27,831.99)	1.77	(193.49)
Aban AbrahamPte Ltd, Singapore	19.07	(42,515.82)	1.61	(175.86)
Aban 7 Pte Ltd,Singapore	5.55	(12,364.33)	0.02	(1.91)
Aban 8 Pte Ltd,Singapore	1.67	(3,716.55)	(0.01)	1.54
Aban Pearl Pte Ltd,Singapore	2.65	(5,903.23)	(0.01)	1.27

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2023

Name of the Enterprise	Net Assets i.e total assets minus total liabilities		Share in Profit or loss	
	As % of consolidated net assets	Amount Rs in Millions	As % of consolidated Profit or loss	Amount Rs in Millions
Aban International Norway AS,Norway	1.02	(2,272.98)	5.02	(547.10)
Aban Labuan Pvt LtdMalaysia	0.00	(0.33)	0.03	(3.55)
Deep Drilling Invest Pte Ltd, Singapore	1.93	(4,306.04)	(8.03)	875.40
Deep Drilling 6 PteLtd,Singapore	5.39	(12,028.80)	1.98	(216.01)
Deep Driller Mexico S de RL De CV, Mexico	1.24	(2,760.84)	(0.00)	0.05
Caldera Petroleum (UK) Ltd	0.01	(33.20)	0.06	(7.05)
Associates (Investment as per Equity Method)	(0.05)	106.91	0.01	(1.46)

35. Exceptional Items:

Exceptional Items represents waiver of accrued and unpaid interest under a One-time Settlement Agreement (OTS) with a secured lender in respect of a term loan availed from it. The amount to be paid as agreed with such lender under the OTS has been discharged by the Company.

36. Going Concern

In preparing the financial statements, the Board of Directors have considered the operations of the Company as going concerns notwithstanding that the Company incurred a net loss of Rs. 27,842.96 Million (2022: Rs. 26,897.27 Million) for the financial year ended 31 March 2023, and as at that date, the Company is net current liabilities position of Rs. 232,781.09 Million (2022: Rs. 215,270.30 Million). The Company is also in net liabilities position of Rs. 222,967.71 Million (2022: Rs. 195,124.80 Million) as at 31 March 2023.

In addition, as disclosed in Note 10(a) to the financial statements, the Company have defaulted on payment of their borrowings which have fallen due and have breached the covenants of their borrowings which give the lenders the right to demand the related borrowings be due and payable immediately. The lenders have issued recall notices to the Company and all such borrowings with original repayment terms beyond 12 months from the balance sheet date have been reclassified as current liabilities. As of the date of this report, the Company is in discussions with its lenders to obtain approval for and implementation of an appropriate debt resolution plan. However, the Company will continue to be in operation in the forseeable future.

The Management believes that the use of the going concern assumption on the preparation of the financial statements of the Company for the financial year ended 31 March 2023 is still appropriate after taking into consideration of the above actions and measures.

37. New or Revised Accounting Standards

The Group has not adopted any mandatory standards, amendments and interpretations to existing standards that have been published but are only effective for the companies accounting periods beginning on or after 1st April, 2023. However, Management aniticipates that the adoption of these standards, amendments and interpretations will not have a material impact on the Financial Statements of the company in the period of their initial adoption.

38. The Company's Board of Directors authorized these Consolidated Financial statements for issue on May 24, 2023.

As per our report of even date

For Ford Rhodes Parks & Co. LLP
Chartered Accountants
ICAI-Registration No.102860W/W1000891

Ramaswamy Subramanian
Partner
Membership No.016059

Place: Chennai
Date: May 24, 2023

For and on behalf of the Board

Reji Abraham
Managing Director

P.Venkateswaran
Vice Chairman

C.P.Gopalkrishnan
Dy.Managing Director & Chief Financial Officer

S.N. Balaji
Dy.General Manager (Legal) & Secretary

Financial Highlights- 10 years at a glance (Consolidated)

PARTICULARS	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
	(Rs.Millions)	(Rs.Millions)	(Rs.Millions)	(Rs.Millions)	(Rs. Millions)	(Rs. Millions)	(Rs. Millions)	(Rs. Millions)	(Rs. Millions)	(Rs. Millions)
STATEMENT OF PROFIT & LOSS ACCOUNT										
Income from Operation & Other Income	5,310.58	6,132.92	12,930.44	9,871.70	9,609.67	14,813.55	17,727.96	33,539.18	40,851.97	39,671.17
Profit before Finance Cost , Tax, Depreciation, Amortisation & Impairment	**968.79**	**1,271.35**	**5,348.70**	**790.94**	**2,217.08**	**6,653.38**	**9,214.37**	**19,112.38**	**24,231.71**	**22,347.58**
Finance Cost	11,095.77	10,966.34	11,057.10	12,029.63	11,372.78	12,821.03	10,904.86	10,380.14	10,910.02	11,406.25
Depreciation/Amortisation/Impairment	1,429.72	12,375.91	14,549.64	82,760.08	43,015.90	19,015.81	7,011.59	9,018.28	5,979.52	5,483.77
Exceptional items	933.12	541.13	332.64	-	-	-	-	-	-	-
Profit before Tax	**(10,623.57)**	**(21,529.77)**	**(19,925.40)**	**(93,998.78)**	**(52,171.59)**	**(25,183.45)**	**(8,702.08)**	**(286.03)**	**7,342.18**	**5,457.55**
Tax	282.43	230.00	(197.01)	(4,281.14)	539.48	880.85	1,708.45	2,144.24	1,937.58	1,545.26
Profit after Tax	(10,906.00)	**(21,759.77)**	**(19,728.39)**	**(89,717.64)**	**(52,711.07)**	**(26,064.30)**	**(10,410.53)**	**(2,430.27)**	**5,404.60**	**3,912.29**
Minority Interest	-	-	-	-	-	-	-	-	-	-
Share of profit/(loss) of associate	(1.46)	(11.02)	3.09	(8.50)	(23.42)	(0.45)	2.20	20.05	44.82	18.36
Profit after Tax and Minority Interest	(10,907.46)	(21,770.78)	(19,725.30)	(89,726.14)	(52,734.49)	(26,064.75)	(10,408.33)	(2,410.22)	5,449.42	3,930.65
BALANCE SHEET										
Non Current Assets (including Net Fixed Assets)	9,118.77	19,340.55	33,196.37	41,048.44	1,13,084.89	1,44,161.71	1,62,747.20	1,72,605.71	1,83,839.90	1,78,727.83
Investment	234.31	226.40	234.21	234.40	261.08	271.67	271.36	160.77	131.24	83.27
Net Current Assets	(81,436.74)	(62,784.19)	(50,564.30)	(38,559.11)	(20,135.16)	(4,630.26)	5,579.81	13,459.74	14,380.87	9,069.41
Total Assets	**(72,083.66)**	**(43,217.24)**	**(17,133.72)**	**2,723.72**	**93,210.81**	**1,39,803.12**	**1,68,598.37**	**1,86,226.22**	**1,98,352.01**	**1,87,880.51**
Share Holders Fund	(2,22,967.71)	(1,95,124.80)	(1,68,227.53)	(1,53,206.97)	(53,086.32)	186.81	26,354.67	36,933.84	57,011.02	41,662.53
Borrowings (including current maturities of long term borrowings)	1,51,348.41	1,52,486.93	1,51,727.00	1,56,336.56	1,42,488.75	1,35,595.00	1,38,024.26	1,44,883.48	1,40,596.57	1,45,608.81
Defferred Tax Liability/(Asset)	(464.36)	(579.37)	(633.19)	(405.86)	3,808.38	4,021.31	4,219.44	4,408.90	744.42	609.17
Total Liabilities	**(72,083.66)**	**(43,217.24)**	**(17,133.72)**	**2,723.72**	**93,210.81**	**1,39,803.12**	**1,68,598.37**	**1,86,226.23**	**1,98,352.01**	**1,87,880.51**
Return on Networth	N/A	N/A	N/A	N/A	N/A	(13952.48%)	(39.49%)	(6.53%)	9.56%	9.43%
EPS (Basic)-Rs.	(186.50)	(373.04)	(337.99)	(1,537.46)	(903.61)	(446.62)	(178.35)	(41.30)	96.50	82.78
EPS (Dilluted)-Rs.	(186.50)	(373.04)	(337.99)	(1,537.46)	(903.61)	(446.62)	(178.35)	(41.30)	95.78	82.78
Debt Equity Ratio	-ve	-ve	-ve	-ve	-ve	725.84	5.24	3.92	2.47	3.49

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