

May 27, 2024

To

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

**Ref: Outcome of Board Meeting**

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The Board of Directors at the meeting held today, inter alia transacted the following business ::

1. Financial Results :
  - a) Approved the Audited Quarterly Standalone and Consolidated financial results for the period ended 31<sup>st</sup> March 2024.
  - b) Approved Audited Financial Results for the year ended 31<sup>st</sup> March 2024.

The Statutory Auditors of the Company have issued Auditors' Report with "Statement of impact of Audit Qualifications" on the Standalone and Consolidated Financial Statements. A copy of the said results together with Auditors' Report is enclosed. These are being made available on the website of the Company at [www.abanoffshore.com](http://www.abanoffshore.com).

2. In view of the losses suffered, the Directors do not recommend any dividend for the year ended 31<sup>st</sup> March 2024.

The Board meeting commenced at 11.15 am (IST) and concluded at 14.05 hours (IST).

Kindly take the information on record.

Thanking you

Yours faithfully  
For **Aban Offshore Limited**

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

Encl : a/a

# FORD RHODES PARKS & CO. LLP

## CHARTERED ACCOUNTANTS

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E1 & E2, Sixth Floor,  
766. Anna Salai, Chennai - 600002.  
Tamilnadu, India

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**Independent Auditor's Report on Audited standalone quarterly financial results and year to date financial results of the Company pursuant to Regulations 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, as amended.**

**TO THE BOARD OF DIRECTORS OF ABAN OFFSHORE LIMITED**

### **I. Qualified Opinion**

We have audited the accompanying standalone financial results ("the Statement") of **Aban Offshore Limited** ("the company") for the quarter and year ended 31<sup>st</sup> March 2024, attached herewith being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the listing Regulations in this regard; and
- (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India of the net loss and other comprehensive income showing a negative balance and other financial information for the quarter and year then ended 31<sup>st</sup> March 2024, except for the possible effects of the matter described in paragraph II below.

### **II. Basis for Qualified Opinion**

The Company's management is unable to obtain confirmation of bank balances including deposits as at the year ended 31.03.2024 (INR 12.78 million) and term loan accounts (INR 3,964.23 million).

In view of the non-confirmation of bank and loan balances and non-availability of bank statements of loan account, 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 results of the Company.

Ford, Rhodes, Parks & Co., a partnership firm with Registration No. BA 61078 converted into Ford Rhodes Parks & Co.LLP with LLP Registration No : AAE-4990 with effect from August 04, 2015



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We conducted our audit in accordance with the standards on Auditing (“SA”s) specified under Section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those Standards are further described in ‘Auditor’s responsibilities for the Audit of the standalone financial results’ 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 financial results under the provisions of the Companies Act, 2013 and the rules thereunder, and we have fulfilled our 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.

### III. Material Uncertainty Relating to Going Concern

The Company has incurred a net loss of INR 2,829.79 million for the year ended 31 March 2024 and, as of that date Company’s accumulated loss amounts to INR 33,861.10 million on account of which the net worth is eroded and also, current liabilities exceeded current assets by INR 14,005.80 million as at 31 March 2024. The company has defaulted in repayment of loan instalments, 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 results 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 (Refer Note 33 to the audited standalone financial statements).

Our opinion is not modified in respect of this matter.

### IV. Emphasis of Matter

As stated in the Note 26 to the audited standalone financial statements the Company’s contingent liabilities includes amounts not paid under disputes with various Government Authorities amounting to INR 16464.76 million and is awaiting adjudication as at 31.03.2024.

Our opinion is not modified in respect of this matter.



# FORD RHODES PARKS & CO. LLP

## V. Management's Responsibilities for the standalone financial Results

The accompanying statement has been prepared on the basis of the standalone annual financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the preparation and presentation of these standalone financial results that give a true and fair view of the financial performance including other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 accounting policies; making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement whether due to error or fraud.

In preparing the Statement, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company or to cease operations or has no realistic alternative to do so.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

## VI. Auditor's responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results 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 SA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial results.



## FORD RHODES PARKS & CO. LLP

As part of an audit in accordance with SA's, 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 results, 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 Act, 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 Board of Directors.
- Conclude on the appropriateness of Board of Director'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 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 results, including the disclosures, and whether the 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.



## FORD RHODES PARKS & CO. LLP

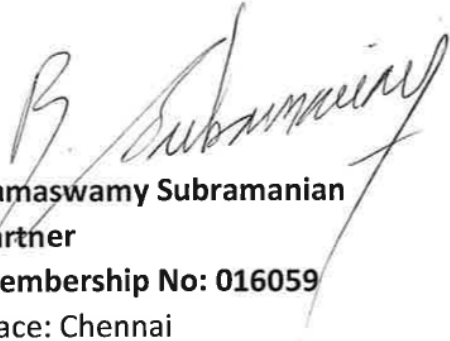
### VII. Other Matter

The Statement include the results for the quarter ended 31<sup>st</sup> March 2024, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to limited review by us.

**For Ford Rhodes Parks & Co. LLP**

**Chartered Accountants**

**ICAI registration No: 102860W/W100089**



**Ramaswamy Subramanian**

**Partner**

**Membership No: 016059**

Place: Chennai

Date: May 27, 2024



**ICAI UDIN: 24016059BKHGWH6024**

# Aban Offshore Limited



STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS  
FOR THE QUARTER / YEAR ENDED 31ST MARCH 2024

Rs. Millions

PARTICULARS	QUARTER ENDED 31.03.2024 (AUDITED)	QUARTER ENDED 31.12.2023 (UNAUDITED)	QUARTER ENDED 31.03.2023 (AUDITED)	YEAR ENDED 31.03.2024 (AUDITED)	YEAR ENDED 31.03.2023 (AUDITED)
<b>1. INCOME</b>					
INCOME FROM OPERATIONS	294.08	198.72	148.48	901.99	759.94
OTHER INCOME	29.05	23.69	75.87	102.21	149.02
<b>TOTAL INCOME</b>	<b>323.13</b>	<b>222.41</b>	<b>224.35</b>	<b>1,004.20</b>	<b>908.96</b>
<b>2. EXPENSES</b>					
COST OF MATERIALS CONSUMED	1.62	1.35	4.00	5.09	31.00
EMPLOYEE BENEFITS EXPENSE	20.95	24.01	16.38	94.76	91.72
FINANCE COSTS	159.76	160.84	158.18	639.43	691.51
DEPRECIATION AND AMORTISATION EXPENSES	95.73	96.75	84.36	385.62	381.56
IMPAIRMENT LOSS OF RECEIVABLES / BAD DEBTS (NET OF IMPAIRMENT REVERSAL)	705.23	725.82	667.64	2,318.22	667.64
IMPAIRMENT LOSS OF PROPERTY, PLANT AND EQUIPMENT / ASSET HELD FOR SALE	-	-	209.09	-	209.09
INVENTORY WRITE DOWN	-	-	81.94	-	81.94
OTHER EXPENDITURE	103.56	29.00	34.21	353.24	699.00
<b>TOTAL EXPENSES</b>	<b>1,086.85</b>	<b>1,037.77</b>	<b>1,255.80</b>	<b>3,796.36</b>	<b>2,853.46</b>
<b>3. LOSS FROM ORDINARY ACTIVITIES BEFORE EXCEPTIONAL ITEMS (1-2)</b>	<b>(763.72)</b>	<b>(815.36)</b>	<b>(1,031.45)</b>	<b>(2,792.16)</b>	<b>(1,944.50)</b>
4. EXCEPTIONAL ITEMS [Profit / (Loss)]	-	-	-	-	933.12
<b>5. LOSS FROM ORDINARY ACTIVITIES BEFORE TAX (3-4)</b>	<b>(763.72)</b>	<b>(815.36)</b>	<b>(1,031.45)</b>	<b>(2,792.16)</b>	<b>(1,011.38)</b>
<b>6. TAX EXPENSES</b>					
-CURRENT TAX	-	-	-	-	-
-DEFERRED TAX (NET)	0.03	6.24	41.53	37.63	115.01
<b>7. NET LOSS FROM ORDINARY ACTIVITIES AFTER TAX (5-6)</b>	<b>(763.75)</b>	<b>(821.60)</b>	<b>(1,072.98)</b>	<b>(2,829.79)</b>	<b>(1,126.39)</b>
8. EXTRAORDINARY ITEMS (NET OF TAX EXPENSE)	-	-	-	-	-
<b>9. NET LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS(7-8)</b>	<b>(763.75)</b>	<b>(821.60)</b>	<b>(1,072.98)</b>	<b>(2,829.79)</b>	<b>(1,126.39)</b>
10. LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS	-	-	(21.23)	-	(23.53)
11. TAX EXPENSE / (CREDIT) FROM DISCONTINUED OPERATIONS	-	-	-	-	-
<b>12. LOSS FOR THE PERIOD FROM DISCONTINUED OPERATIONS (10-11)</b>	<b>-</b>	<b>-</b>	<b>(21.23)</b>	<b>-</b>	<b>(23.53)</b>
<b>13. LOSS FOR THE PERIOD (9+12)</b>	<b>(763.75)</b>	<b>(821.60)</b>	<b>(1,094.21)</b>	<b>(2,829.79)</b>	<b>(1,149.92)</b>
14. OTHER COMPREHENSIVE INCOME (NET OF TAX)	(0.39)	-	(7.57)	(0.39)	(7.57)
<b>15. TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD (13+14)</b>	<b>(764.14)</b>	<b>(821.60)</b>	<b>(1,101.78)</b>	<b>(2,830.18)</b>	<b>(1,157.49)</b>
16. PAID UP EQUITY SHARE CAPITAL (Equity Share of Rs.2/-each)	116.73	116.73	116.73	116.73	116.73
17. Net worth	-	-	-	(11,636.35)	(8,806.17)
18. Reserves excluding Revaluation Reserves	-	-	-	(11,753.08)	(8,922.90)
19 (i) Basic and Diluted Earning per share (before extraordinary items) (of Rs. 2/- each) (not annualised)					
(a) From Continuing Operations	(13.09)	(14.07)	(18.39)	(48.49)	(19.31)
(b) From Discontinued Operations	-	-	(0.36)	-	(0.40)
(ii) Basic and Diluted Earning per share (after extraordinary items) (of Rs. 2/- each) (not annualised)					
(a) From continuing Operations	(13.09)	(14.07)	(18.39)	(48.49)	(19.31)
(b) From Discontinued Operations	-	-	(0.36)	-	(0.40)



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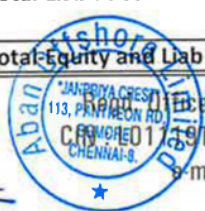
# Aban Offshore Limited



Standalone Balance Sheet as at 31st March 2024

Rs. Millions

Particulars	As at 31st March 2024	As at 31st March 2023
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	358.23	739.46
Assets held for Sale	130.59	130.59
Financial Assets		
(i) Investments	128.14	128.14
(ii) Loans	292.25	295.00
(iii) Other financial assets	1,033.52	933.75
Deferred Tax Asset	426.72	464.36
<b>Total-Non-current assets</b>	<b>2,369.45</b>	<b>2,691.30</b>
<b>Current assets</b>		
Inventories	439.79	428.31
Financial Assets		
(i) Trade receivables	845.22	2,885.85
(ii) Cash and cash equivalents	18.04	15.50
(iii) Loans	605.95	553.55
(iv) Other financial assets	151.87	247.94
Other current assets	9.18	17.43
<b>Total-current assets</b>	<b>2,070.05</b>	<b>4,148.58</b>
<b>Total- Assets</b>	<b>4,439.50</b>	<b>6,839.88</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(i) Equity Share Capital	116.73	116.73
(ii) Other Equity	(11,753.08)	(8,922.90)
<b>Total-Equity</b>	<b>(11,636.35)</b>	<b>(8,806.17)</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Financial Liabilities	-	-
Employee benefit obligations	-	-
<b>Total-Non-Current Liabilities</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>		
Financial Liabilities		
(i) Borrowings	6,774.23	6,737.19
(ii) Trade payables		
a) Dues of Micro and Small Enterprises	-	-
b) Total Outstanding dues of Other Creditors	3,051.09	3,038.12
(iii) Other financial liabilities	6,150.96	5,487.36
Employee benefit obligations	2.24	9.08
Other current liabilities	97.33	374.30
<b>Total-Current Liabilities</b>	<b>16,075.85</b>	<b>15,646.05</b>
<b>Total-Liabilities</b>	<b>16,075.85</b>	<b>15,646.05</b>
<b>Total-Equity and Liabilities</b>	<b>4,439.50</b>	<b>6,839.88</b>



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## Standalone Cash Flow Statement for the year ended 31st March 2024

	Year ended 31st March 2024 Rs. millions	Year ended 31st March 2023 Rs. millions
<b>Cash Flow from operating activities</b>		
Loss before tax		
from Continuing Operations	(2,792.16)	(1,011.38)
from discontinued business	-	(23.53)
<u>Non cash adjustment to reconcile profit before tax to net cash flows</u>		
Depreciation/amortization	385.62	381.56
Finance Cost	639.43	691.51
Loss/(profit) on sale of fixed assets	(1.01)	19.57
Provision for Employee Benefits	1.62	8.75
Excess Provision Reversed	-	(50.16)
Unrealized foreign exchange (gain)/loss	170.57	316.37
Interest Income	(42.09)	(42.13)
Inventory Written Down	-	81.94
Bank Working Capital Loan Waiver	-	(933.12)
Impairment loss of Plant, Property and Equipment	-	209.09
Impairment Loss of Receivables	-	667.64
Bad Debts Written off	2,318.22	-
Operating profit before working capital changes	<b>680.20</b>	<b>316.11</b>
<u>Movements in working capital:</u>		
Increase/(Decrease) in trade payables	12.97	(54.92)
Increase/(Decrease) in other current liabilities	(9.11)	(1.08)
Decrease/(Increase) in trade receivables	(672.22)	(178.24)
Decrease/(Increase) in inventories	(11.48)	218.79
Decrease/(Increase) in long term loans and advances	(64.47)	(19.49)
Decrease/(Increase) in short term loans and advances	51.22	(28.36)
Cash generated from (used in) operations	(12.89)	252.81
Direct taxes paid (net of refunds)	(32.55)	(21.82)
<b>Net cash flow from (used in) operating activities (A)</b>	<b>(45.44)</b>	<b>230.99</b>
<b>Cash Flow from investing activities</b>		
Purchase of tangible assets	(7.83)	(5.20)
Proceeds from sale of tangible assets	4.45	550.73
Interest received	42.79	41.27
Sale of Non Current Investments	-	0.41
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>39.41</b>	<b>587.21</b>

	Year ended 31st March 2024 Rs. millions	Year ended 31st March 2023 Rs. millions
<b>Cash Flow from financing activities</b>		
Repayment of Long term borrowings	(7.15)	(1,566.07)
Repayment of loan by foreign subsidiary and other Group Companies/ (Loans extended to foreign subsidiary and other Group Companies)	15.74	735.04
Interest paid	-	-
<b>Net cash (used in) financing activities (C)</b>	<b>8.59</b>	<b>(831.03)</b>
<b>Net increase /(decrease) in cash and cash equivalents (A+B+C)</b>	<b>2.56</b>	<b>(12.83)</b>
Effect of exchange differences on cash and cash equivalents held in foreign currency	(0.02)	(0.02)
Cash and cash equivalents at the beginning of the year	15.50	28.35
<b>Cash and cash equivalents at the end of the year</b>	<b>18.04</b>	<b>15.50</b>
<i>Reconciliation of cash and cash equivalents as per the cash flow statement</i>		
Cash and cash equivalents as per above comprise of the following		
Cash and cash equivalents *	18.04	15.50
<b>Balances per statement of cash flows</b>	<b>18.04</b>	<b>15.50</b>



**Notes:**

- (i) The statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 (IND AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting principles and policies to the extent applicable.
- (ii) The above financial results were reviewed and recommended by the Audit Committee and were approved by the Board of Directors at their meeting held on 27<sup>th</sup> May 2024.
- (iii) The above financial results were audited by the Statutory Auditors.
- (iv) In respect of the Non-Current Assets held for sale, during the year 2023-24, the Company entered into a Sale and Purchase Agreement (SPA) for sale of the Floating Production Unit (FPU) along with inventory on board the FPU. The sale isn't concluded as on 31<sup>st</sup> March 2024 pending completion of certain formalities.
- (v) The Company operates in only one business segment i.e. Offshore Drilling.
- (vi) Clause 52 (6) of LODR disclosure – The Company hasn't redeemed its non-convertible redeemable preference shares on due dates and paid no dividend.
- (vii) The figures for the quarter ended 31<sup>st</sup> March 2024 and 31<sup>st</sup> March 2023 are balancing figures between the audited figures in respect of the full financial year and published year to date figures upto the third quarter of the respective financial year.

Place: Chennai  
Date: 27<sup>th</sup> May 2024



For and on behalf of the Board



C.P. Gopalkrishnan  
Dy. Managing Director & CFO



**Annexure-A**

Pursuant to regulation 52(4) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations), we submit herewith the following information pertaining to the Non-convertible Cumulative Preference Shares:

**1. Details of Outstanding Redeemable Preference Shares:**

Sr. No.	Name of the Series	No. of Preference Shares in Millions	Amount of Issue (Rs. In Millions)
1	INE421A04097	45	450
2	INE421A04097	60	600
3	INE421A04071	55	550
4	INE421A04063	40	400
5	INE421A04055	20	200
6	INE421A04089	61	610

**2. Credit Rating and change in Credit Rating (if any):**

The Credit Rating in respect of the above mentioned series of Preference Shares is "CARE D (RPS) [Single D (Redeemable Preference Shares)]"

**3. Asset cover available, in case of non-convertible Debt Securities: Not Applicable.**

**4. Debt –Equity Ratio (As at 31<sup>st</sup> March 2024) :**

Standalone	(0.58)
Consolidated	(0.64)

Debt Equity ratio= (Long term debts+current maturities of long term debt)/Shareholders funds.



5. **Previous due dates for payment of dividend and repayment of principal amount for Preference Shares :**

The due date of payment of dividend and principal amount and the actual date of payment for the year ended 31<sup>st</sup> March 2024: No dividend has been paid and no redemption during the year ended 31<sup>st</sup> March 2024.

6. **Next due dates for payment of dividend and repayment of principal amount:**

The entire preference shares have become due for redemption and they have not been redeemed.

Dividend when recommended and declared will be paid within the prescribed timeline.

7. **Debt Service Coverage Ratio**

Standalone	0.10
Consolidated	0.06

Debt service coverage ratio=EBIDTA/ (Interest expense + Current year principal repayments)

8. **Interest Service Coverage Ratio: Not Applicable**

Standalone	N.A.
Consolidated	N.A.

Interest service coverage ratio=EBIT/ Interest expense

9. **Capital Redemption Reserve: As at 31<sup>st</sup> March 2024 - Rs 2,810 Million**

10. **Net worth: Forms part of Unaudited Standalone/Consolidated Financial Results**

11. **Net profit after tax: Forms part of Unaudited Standalone/Consolidated Financial Results**

12. **Earnings per share: Forms part of Unaudited Standalone /Consolidated Financial Results**

A. **Information pursuant to Regulation 52(6) of the Listing Regulations are given below:**

Sr. No.	Particulars	Remarks
a.	Profit/(loss) for the year ended 31 <sup>st</sup> March 2024	Please refer Notes to unaudited financial results forming part of this publication
b.	Free Reserves as on the end of 31 <sup>st</sup> March 2024	
c.	Securities Premium account balance (if redemption of redeemable preference shares is to be done at premium ,such premium may be appropriated from securities premium account) Provided that disclosure on securities premium account balance may be provided only in a year in which non-convertible redeemable preference shares are due for redemption	

d.	<p>Track record of dividend payment on non-convertible redeemable preference shares.</p> <p>Provided that in case the dividend has been deferred at any time, then actual date of payment shall be disclosed.</p>	<p>Dividend on non-convertible redeemable preference shares for the period up to 31<sup>st</sup> March 2015 has been paid within the prescribed timeline. The subsequent payment has been deferred.</p>
e.	<p>Breach of any covenants under the terms of the non-convertible redeemable preference shares</p> <p>Provided that in case of listed entity is planning a fresh issuance of shares whose end use is servicing of the non-convertible redeemable preference shares (whether dividend or principal redemption), then the same shall be disclosed whenever the listed entity decided on such issuances.</p>	<p>Non-convertible cumulative redeemable preference shares due on 29<sup>th</sup> December 2014, 28<sup>th</sup> February 2015, 30<sup>th</sup> March 2015, 16th June 2015, 16th June 2016 and 3<sup>rd</sup> August 2016 have not been redeemed.</p>



I. Pursuant to the requirements of SEBI circular dt 22nd Oct 2019, the Company has listed Non-Convertible Cumulative Redeemable Preference Shares:Regulation 52(4) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended based on Standalone financial results as at and for the year ended 31st March 2024.

**Standalone**

Ratio	Numerator	Denominator	Quarter Ended 31.03.2024	Quarter Ended 31.12.2023	Quarter Ended 31.03.2023	Year Ended 31.03.2024	Year Ended 31.03.2023
Current Ratio (in times)	Total Current Assets	Total Current Liabilities	0.13	0.18	0.27	0.13	0.27
Debt-Equity Ratio (in times)	Debt consists of borrowings & lease Liabilities	Total Equity	-.Ve	-.Ve	-.Ve	-.Ve	-.Ve
Non-Convertible Cumulative Redeemable Preference Shares (Qty / value)			281 Million/ 2,810.00	281 Million/ 2,810.00	281 Million/ 2,810.00	281 Million/ 2,810.00	281 Million/ 2,810.00
Capital Redemption Reserve (Rs. In Million)			2,810.00	2,810.00	2,810.00	2,810.00	2,810.00
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	0.16	0.09	0.05	0.10	0.06
Return on Equity Ratio (in %)	Profit for the year less Preference Dividend (if any)	Average Total Equity	N.A.	N.A.	N.A.	N.A.	N.A.
Trade Receivables Turnover Ratio (in times)	Revenue from Operations	Average Trade Receivables	0.16	0.09	0.05	0.48	0.25
Trade Payables Turnover Ratio (in times)	Cost of Equipment and software licences + Other Expenses	Average Trade Payables	0.03	0.01	0.01	0.06	0.20
Net Capital Turnover Ratio (in times)	Revenue from Operations	Average Capital Employed	-.Ve	-.Ve	-.Ve	-.Ve	-.Ve
Net Profit Ratio	Profit for the year	Revenue from Operations	-.Ve	-.Ve	-.Ve	-.Ve	-.Ve
Return of Capital Employed (in %)	Profit before tax and finance Costs	Capital Employed = Networth + Lease Liabilities + Deferred Tax Liabilities	-.Ve	-.Ve	-.Ve	-.Ve	-.Ve
Return on Investment (in %)	Income generated from invested funds	Average invested funds in Treasury Investments	N.A.	N.A.	N.A.	N.A.	N.A.

Place : Chennai  
Date: 27th May 2023

For and on behalf of the Board



C P Gopalakrishnan  
Dy Managing Director & CFO



**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted alongwith Annual Audited Financial Results- Stand Alone**

**Statement on Impact of Audit Qualifications for the Financial Year ended 31<sup>st</sup> March 2024**

[See Regulation 33/52 of the SEBI (LODR) (Amendment) Rules,2016]

**I. Stand Alone Financial Results**

Sl.No	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. Millions)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs.Millions)
1.	Turnover/Total Income	1,004.20	1,004.20
2.	Total Expenditure	3,796.36	Not ascertainable (Refer II (e) (ii) below
3.	Net Profit/(Loss) for the year	(2,792.16)	Not ascertainable (Refer II (e) (ii) below
4.	Earnings Per Share (Rs.)	(48.49)	Not ascertainable (Refer II (e) (ii) below
5.	Total Assets	4,439.50	Not ascertainable (Refer II (e) (ii) below
6.	Total Liabilities	16,075.85	Not ascertainable (Refer II (e) (ii) below
7.	Net Worth	(11,636.35)	Not ascertainable (Refer II (e) (ii) below
8.	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil

**II. Audit Qualifications (each qualification separately)**

**a. Details of Audit Qualification:**

**Basis for Qualified Opinion**

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

- Bank Balances including Deposits INR 12.78 million
- Term Loans INR 3,964.23 million

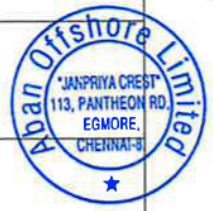
In view of the non-confirmation of bank and loan balances, we are not in a position to ascertain and comment on the correctness of the abovementioned outstanding balances and the resultant impact of the same on the standalone financial statements of the Company.



b. Type of Audit Qualification	Qualified opinion
c. Frequency of Qualification	Each year
d. For Audit Qualification(s) where impact is quantified by the auditors, Management's views:	Not quantified by auditors
e. For Audit Qualification(s) where the impact is not quantified by the auditors:	
i. Management's estimation on the impact of audit qualification	Cannot be quantified
ii. If Management is unable to estimate the impact, reasons for the same	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 term loan agreements
(iii). Auditors' comments on (i) and (ii) above	Refer "Basis for qualified opinion" the Independent Auditors' Report dated May 27, 2024 on the standalone financial results of the Company for the year ended March 31,2024. No further comments.

III.

	Signatories:
Chairman and Audit Committee Chairman	
Managing Director	
Dy. Managing Director & Chief Financial Officer	
Statutory Auditors	



Place: Chennai

Date: 27<sup>th</sup> May 2024



# FORD RHODES PARKS & CO. LLP

## CHARTERED ACCOUNTANTS

Shakthi Towers III  
E1 & E2, Sixth Floor,  
766. Anna Salai, Chennai - 600002.  
Tamilnadu, India

Phone : 2851 4498 / 4778 9106  
e-mail : frpchennai@gmail.com  
frpco@fordrhodesparks.com  
website : www.fordrhodesparks.com

Independent Auditors report on consolidated audited quarterly and year to date financial results of the company Pursuant to regulation 33 of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015, as amended.

TO THE BOARD OF DIRECTORS OF ABAN OFFSHORE LIMITED

### I. Disclaimer of Opinion

We were engaged to audit the accompanying Consolidated Financial Results ("the Statement") of **Aban Offshore Limited** (the "**Holding Company**") and its subsidiaries (the Holding company and its subsidiaries together referred to as "**the Group**") for the quarter and year ended 31<sup>st</sup> March 2024, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulations 33 of the SEBI (Listing obligation and Disclosure requirements) Regulations, 2015, as amended ("Listing Regulations").

We do not express an opinion on the accompanying consolidated financial results 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 audit evidence to provide a basis for an audit opinion on these consolidated financial results.

The accompanying consolidated financial results include the results of the following entities:

- i. **Aban Holdings Pte Ltd, Singapore** – Wholly owned subsidiary (includes 9 subsidiary companies and 1 associate company)
- ii. **Aban Energies Ltd, India** – Wholly owned subsidiary.

It is presented in accordance with the requirements of Regulation 33 of the listing regulations as amended.

### II. 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 31<sup>st</sup> March, 2024 which is reproduced as under:

Ford, Rhodes, Parks & Co., a partnership firm with Registration No. BA 61078 converted into Ford Rhodes Parks & Co.LLP with LLP Registration No. AA-E-4990 with effect from August 04, 2015

Page 1 of 9

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# FORD RHODES PARKS & CO. LLP

## ***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 2024, 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 material accounting policies information, as set out on pages 7 to 49.*

*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**

#### ***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 and the Company incurred a net loss of US\$125,305,000 and US\$107,582,000 respectively for the financial year ended 31 March 2024, and as at that date, the Group and the Company were in net current liabilities position of US\$2,828,877,000 and US\$2,659,367,000 respectively. The Group and the Company were also in net liabilities position of US\$2,735,167,000 and US\$2,019,017,000 respectively as at 31 March 2024.*

*As disclosed in Note 19 to the financial statements, the Group's rig with carrying amount of US\$31,542,000 has been pledged as security for the borrowings of the Group and the Company amounted to US\$1,763,342,000 and US\$1,643,261,000 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 giving 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.*



## FORD RHODES PARKS & CO. LLP

*The above conditions indicate the existence of material uncertainties that 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 2024 is still appropriate. This consideration is made after taking into account that, as of the date of this report, the Group has sold and delivered to its buyers a total of ten rigs, with the exception of one rig that is under operation during the financial year ended 31 March 2024. Additionally, the Group has during the financial year, submitted a proposal for a one-time settlement of the bank borrowings to the lenders. The lenders are currently seeking approval from the relevant authorities for the aforesaid proposal.*

*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. Additionally, 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 enable us to form an opinion on 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. As a result, adjustments may have to be made to reflect the situation where assets, particularly the rig of the Group, may need to be realised other than in the normal course of business and at amounts which could differ significantly from their current recorded values in the balance sheet. Additionally, the Group and the Company may have to reclassify non-current assets and liabilities as current assets and liabilities respectively. These financial statements do not include any adjustment which may arise from these uncertainties.*

### **Incompleteness of bank confirmations**

*We were unable to obtain bank confirmations to confirm the Group's bank balances of US\$163,000 as well as the bank borrowings of the Group and the Company amounted to US\$1,763,342,000 and US\$1,643,261,000 respectively as at 31 March 2024.*

*There were also no practicable audit procedures available to us to confirm or verify these balances and transactions. As a result, we were unable to ascertain the accuracy and completeness of the aforesaid bank balances and bank borrowings. In addition, we were unable to verify the completeness of the Group's and the Company's transactions with the banks for the aforesaid bank balances and bank borrowings. Consequently, we were unable to determine whether any adjustments and disclosures might have been found necessary in respect of unrecorded and/or undisclosed transactions, facilities and information with the banks in the financial statements.*



## **FORD RHODES PARKS & CO. LLP**

### ***Investments in subsidiary corporations, Investment in associated company 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 2024 amounted to US\$520,337,000. As disclosed in Note 17 to the financial statements, the Group's carrying amount of the investment in an associated company as at 31 March 2024 amounted to US\$1,110,000. Management has determined that no objective evidence or indication that the carrying amount of the investments in subsidiary corporations and an associated company 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 2024 amounted to US\$111,166,000 and US\$8,847,000 respectively. Management has determined that no expected credit loss is required as there was no significant increase in credit risk.*

*Based on the latest financial performance and financial position of the associated company, 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 an associated company, and the expected credit losses associated with the amounts due from subsidiary corporations and the immediate and ultimate holding corporation as at 31 March 2024. Consequently, we were unable to determine whether any adjustments might have been found necessary in respect of the carrying amounts of the investment in an associated company and subsidiary corporations, and amounts due from subsidiary corporations and the immediate and ultimate holding corporation as at 31 March 2024.*

### ***Existence, accuracy and recoverability of input tax credit ("ITC")***

*As disclosed in Note 12 to the financial statements, the Value-Added Tax ("VAT") and withholding tax receivables, classified as trade and other receivables of the Group as at 31 March 2024, include the input tax credit ("ITC") under Goods and Services Tax in India, amounting to US\$575,000.*

*In the absence of available information, we were unable to obtain sufficient appropriate audit evidence, and there were no other practicable alternative audit procedures that we could perform to satisfy ourselves on the accuracy, existence and recoverability of the ITC amount. Consequently, we were unable to determine whether any adjustments to the amounts or disclosures in the financial statements were necessary and appropriate.*

### ***Report on Other Legal and Regulatory Requirements***

*In our opinion, in view of the significance of the matters described in the Bases for Disclaimer of Opinion section of our report, we do not express an opinion on whether the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act".*

***End of Reproduction of other auditor's disclaimer conclusion***



# FORD RHODES PARKS & CO. LLP

## 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 31<sup>st</sup> March 2024, 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 12.78 million

Term Loans INR 3,964.23 million

In view of the non-confirmation of bank and loan balances and non-availability of bank statements of loan account, 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 ‘Going Concern’ to the accompanying standalone financial statements - the Company has incurred a net loss of INR 2,829.79 million for the year ended 31 March 2024 and, as of that date Company’s accumulated loss amounts to INR 33,861.10 million on account of which the net worth is eroded and also, current liabilities exceeded current assets by INR 14,005.80 million as at 31 March 2024. The company has defaulted in repayment of loan installments, payment of interest on term loans, preference dividend 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.



# FORD RHODES PARKS & CO. LLP

## 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 16,464.74 million and are awaiting adjudication as at 31.03.2024 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.

## III Management’s Responsibilities for the consolidated financial results:

These consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company’s Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit and total comprehensive income and other financial information of the Group in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results 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 the consolidated financial results by the Directors of the Holding Company, as aforesaid.



## FORD RHODES PARKS & CO. LLP

In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the respective companies 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 are responsible for overseeing the financial reporting process of the respective companies.

### IV Auditors responsibility for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.

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 results, 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 Act, we are also responsible for expressing our opinion through a separate report on the complete set of consolidated financial statements on whether the company has adequate internal financial controls with reference to the consolidated financial statements 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 the board of directors.
- Conclude on the appropriateness of the Board of Directors 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 ability of the Group 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 results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.



## FORD RHODES PARKS & CO. LLP

- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditor. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent auditors 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

### V 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 14,170.39 million as at 31st March 2024, total revenue of INR 4,427.97 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 3.24 million as at 31st March, 2024 and total revenue of INR Nil for the year then ended.

The financial statements of the said foreign subsidiary have 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 Results 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.





## FORD RHODES PARKS & CO. LLP

The financial results include the results for the Quarter ended 31<sup>st</sup> March 2024 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which was subjected to limited review by us.

**For Ford Rhodes Parks & Co. LLP**

**Chartered Accountants**

**ICAI registration No: 102860W/W100089**

*B. Subramanian*

**Ramaswamy Subramanian**

**Partner**

**Membership No: 016059**

Place: Chennai

Date: May 27, 2024



**ICAI UDIN: 24016059BKHWG6535**

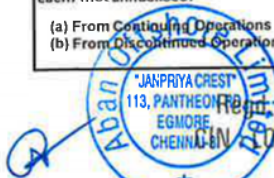
# Aban Offshore Limited



STATEMENT OF AUDITED CONSOLIDATED RESULTS  
FOR THE QUARTER / YEAR ENDED 31ST MARCH 2024

Rs. Millions

PARTICULARS	QUARTER ENDED 31.03.2024 (AUDITED)	QUARTER ENDED 31.12.2023 (UNAUDITED)	QUARTER ENDED 31.03.2023 (AUDITED)	YEAR ENDED 31.03.2024 (AUDITED)	YEAR ENDED 31.03.2023 (AUDITED)
<b>1. INCOME</b>					
INCOME FROM OPERATIONS	1,374.68	942.92	729.50	3,996.65	3,967.27
OTHER INCOME	99.89	121.82	204.34	480.78	452.84
REVERSAL OF IMPAIRMENT LOSS OF PROPERT, PLANT AND EQUIPMENT				-	890.47
<b>TOTAL INCOME</b>	<b>1,474.57</b>	<b>1,064.74</b>	<b>933.84</b>	<b>4,477.43</b>	<b>5,310.58</b>
<b>2. EXPENSES</b>					
COST OF MATERIALS CONSUMED	176.06	104.30	126.16	465.70	840.00
EMPLOYEE BENEFITS EXPENSE	240.54	219.13	253.54	904.15	1,060.20
FINANCE COSTS	2,770.52	2,741.45	2,867.28	10,920.77	11,095.77
DEPRECIATION	134.40	120.83	107.00	495.80	471.05
AMORTISATION OF CONTRACT ASSETS	172.94	103.30	-	475.60	-
IMPAIRMENT LOSS OF RECEIVABLES / BAD DEBTS (NET OF IMPAIRMENT R	705.22	725.82	667.64	2,318.22	667.64
IMPAIRMENT LOSS OF PROPERTY, PLANT AND EQUIPMENT	-	-	209.09	-	209.09
INVENTORY WRITE-DOWN	-	-	81.94	-	81.94
OTHER EXPENDITURE	579.02	288.11	326.04	1,852.90	2,418.06
<b>TOTAL EXPENSES</b>	<b>4,778.70</b>	<b>4,302.93</b>	<b>4,638.68</b>	<b>17,433.14</b>	<b>16,843.75</b>
<b>3. LOSS FROM ORDINARY ACTIVITIES BEFORE EXCEPTIONAL ITEMS (1-2)</b>	<b>(3,304.13)</b>	<b>(3,238.19)</b>	<b>(3,704.84)</b>	<b>(12,955.71)</b>	<b>(11,533.17)</b>
4. EXCEPTIONAL ITEMS (Refer Note; (v))	-	-	-	-	933.12
<b>5. LOSS FROM ORDINARY ACTIVITIES BEFORE TAX (3-4)</b>	<b>(3,304.13)</b>	<b>(3,238.19)</b>	<b>(3,704.84)</b>	<b>(12,955.71)</b>	<b>(10,600.05)</b>
<b>6. TAX EXPENSES</b>					
-CURRENT TAX	84.25	20.77	38.30	169.30	167.42
-DEFERRED TAX (NET)	0.03	6.24	41.53	37.63	115.01
<b>7. NET LOSS FROM ORDINARY ACTIVITIES AFTER TAX (5-6)</b>	<b>(3,388.41)</b>	<b>(3,265.20)</b>	<b>(3,784.68)</b>	<b>(13,162.65)</b>	<b>(10,882.48)</b>
8. EXTRAORDINARY ITEMS (NET OF TAX EXPENSE)	-	-	-	-	-
<b>9. NET LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS (7-8)</b>	<b>(3,388.41)</b>	<b>(3,265.20)</b>	<b>(3,784.68)</b>	<b>(13,162.65)</b>	<b>(10,882.48)</b>
10. LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS	-	-	(21.23)	-	(23.53)
11. TAX EXPENSE / (CREDIT) FROM DISCONTINUED OPERATIONS	-	-	-	-	-
12. LOSS FOR THE PERIOD FROM DISCONTINUED OPERATIONS (10-11)	-	-	(21.23)	-	(23.53)
13. LOSS FOR THE PERIOD (9+12)	(3,388.41)	(3,265.20)	(3,805.91)	(13,162.65)	(10,906.01)
14. SHARE OF PROFIT/ (LOSS) OF ASSOCIATE	(13.02)	(2.74)	(0.01)	(15.77)	(1.46)
15. NON CONTROLLING INTERESTS	-	-	-	-	-
16. NET LOSS AFTER NON CONTROLLING INTEREST AND SHARE OF LOSS OF ASSOCIATE (13+14)	(3,401.43)	(3,267.94)	(3,805.92)	(13,178.41)	(10,907.47)
17. OTHER COMPREHENSIVE INCOME (NET OF TAX)	(334.48)	(1,030.86)	926.51	(2,573.07)	(16,935.51)
<b>18. TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (12+13)</b>	<b>(3,735.91)</b>	<b>(4,298.80)</b>	<b>(2,879.41)</b>	<b>(15,751.48)</b>	<b>(27,842.98)</b>
19. PAID UP EQUITY SHARE CAPITAL (Equity Share of Rs.2/-each)	116.73	116.73	116.73	116.73	116.73
20. Net worth	-	-	-	(2,38,719.19)	(2,22,967.71)
21. Reserves excluding Revaluation Reserves	-	-	-	(2,09,150.18)	(1,95,971.23)
21 (i) Basic and Diluted Earning per share (before extraordinary items) (of Rs. 2/- each) (not annualised)					
(a) From Continuing Operations	(58.28)	(56.00)	(64.85)	(225.81)	(186.50)
(b) From Discontinued Operations	-	-	(0.36)	-	(0.40)
(ii) Basic and Diluted Earning per share (after extraordinary items) (of Rs. 2/- each) (not annualised)					
(a) From Continuing Operations	(58.28)	(56.00)	(64.85)	(225.81)	(186.50)
(b) From Discontinued Operations	-	-	(0.36)	-	(0.40)



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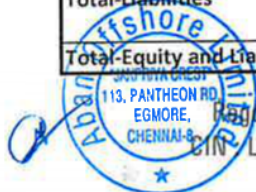


# Aban Offshore Limited



Consolidated Balance Sheet as at 31st March 2024

Particulars	As at 31st March 2024 Rs. millions	As at 31st March 2023 Rs. millions
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	2,992.55	3,274.49
Intangible assets	3,698.21	3,654.97
Assets held for Sale	130.59	130.59
Financial Assets		
(i) Investments	219.78	234.31
(ii) Loans	321.56	136.98
(iii) Other financial assets	1,700.41	1,131.72
Other Non Current Assets	0.49	0.71
Deferred Tax Asset	426.72	464.36
<b>Total-Non-current assets</b>	<b>9,490.31</b>	<b>9,028.13</b>
<b>Current assets</b>		
Inventories	1,120.71	966.16
Financial Assets		
(ii) Trade receivables	1,386.43	3,268.12
(ii) Cash and cash equivalents	435.07	1,485.03
(iii) Other Bank balances	-	-
(iv) Loans	433.29	764.99
(v) Other financial assets	395.67	551.21
(vi) Contract Assets	1,877.65	1,184.00
Other current assets	11.24	20.15
<b>Total-current assets</b>	<b>5,660.06</b>	<b>8,239.77</b>
<b>Total- Assets</b>	<b>15,150.37</b>	<b>17,267.90</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(i) Equity Share Capital	116.73	116.73
(ii) Other Equity	(2,38,835.92)	(2,23,084.44)
<b>Equity attributable to shareholders of the Company</b>	<b>(2,38,719.19)</b>	<b>(2,22,967.72)</b>
<b>Total-Equity</b>	<b>(2,38,719.19)</b>	<b>(2,22,967.71)</b>
<b>Non-current liabilities</b>		
Financial Liabilities		
(i) Borrowings	-	-
Employee benefit obligations	5.10	4.10
<b>Total-Non-Current Liabilities</b>	<b>5.10</b>	<b>4.10</b>
<b>Current liabilities</b>		
Financial Liabilities		
(i) Borrowings	1,53,078.74	1,51,348.41
(ii) Trade payables		
a) Dues of Micro and Small Enterprises		
b) Total outstanding dues of Other Creditors	3,891.87	3,920.13
(iii) Other financial liabilities	96,860.57	84,951.39
Employee benefit obligations	2.56	9.19
Other current liabilities	30.72	2.38
<b>Total-Current Liabilities</b>	<b>2,53,864.46</b>	<b>2,40,231.51</b>
<b>Total-Liabilities</b>	<b>2,53,869.56</b>	<b>2,40,235.61</b>
<b>Total-Equity and Liabilities</b>	<b>15,150.37</b>	<b>17,267.90</b>



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# Aban Offshore Limited



Consolidated IND AS Cash Flow Statement for the year ended 31st March 2024

	Year ended 31st March 2024 Rs. millions	Year ended 31st March 2023 Rs. millions
<b>Cash Flow from operating activities</b>		
Loss before tax from continuing Operations	(12,955.71)	(10,600.05)
Loss before tax from discontinuing Operations	-	(23.53)
Loss before tax	(12,955.71)	(10,623.58)
<u>Non cash adjustment to reconcile profit before tax to net cash flows</u>		
Share of (profits)/loss from investment in partnership firm	971.40	471.05
Depreciation/amortization on continuing operations	-	209.09
Impairment/other write off on tangible assets	-	(890.47)
Impairment reversal	(2.42)	(0.56)
Loss/(profit) on sale of fixed assets	2.95	83.43
Provision for Employee Benefits	-	81.94
Inventory write-down	2,318.22	667.64
Bad Debts Written off/Impairment of receivables	170.57	316.37
Unrealized foreign exchange loss/(gain)	-	(50.16)
Provision no longer required written back	10,920.77	11,095.77
Interest on borrowings and dividend on redeemable preference shares	(53.36)	(45.91)
Interest income	-	(933.12)
Exceptional items	1,372.42	381.49
Operating profit before working capital changes		
<u>Movements in working capital:</u>		
Increase/(Decrease) in trade payables and other liabilities	584.16	(18.92)
Increase/(Decrease) in other current liabilities	(8.45)	-
Decrease/(Increase) in trade receivables and other assets	(1,679.18)	(6.94)
Decrease/(Increase) in inventories	(154.55)	915.46
Decrease/(Increase) in other non current financial assets/other assets	(1,220.60)	-
Decrease/(Increase) in other financial assets current	395.02	-
Cash generated from/(used in) operations	(711.18)	1,269.63
Direct taxes paid (net of refunds)	(12.25)	35.08
<b>Net cash flow from /(used in) operating activities (A)</b>	<b>(723.43)</b>	<b>1,304.71</b>
<b>Cash Flow from investing activities</b>		
Purchase of fixed assets including Intangible Assets net of exchange difference on translation #	(170.73)	(5.20)
Proceed from sale of fixed assets/Intangible assets net of translation impact	6.29	13,954.66
Proceed from sale /maturity of current investment	-	0.41
Interest received	54.07	45.05
<b>Net cash flow from /(used in) investing activities (B)</b>	<b>(110.37)</b>	<b>13,994.92</b>

	Year ended 31st March 2024 Rs. millions	Year ended 31st March 2023 Rs. millions
<b>Cash Flow from financing activities</b>		
Repayment of short term borrowings/Proceeds from short term borrowings	(24.49)	(14,695.07)
Loans	(183.18)	-
Interest paid/Effect of translation of interest on Foreign Currency Loans	(8.46)	-
<b>Net cash used in financing activities (C)</b>	<b>(216.13)</b>	<b>(14,695.07)</b>
<b>Net increase /(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(1,049.93)</b>	<b>606.02</b>
Effect of exchange differences on cash and cash equivalents held in foreign currency	(0.03)	(0.02)
Cash and cash equivalents at the beginning of the year	1,485.03	879.03
<b>Cash and cash equivalents at the end of the year</b>	<b>435.07</b>	<b>1,485.03</b>
<u>Reconciliation of cash and cash equivalents as per the cash flow statement</u>		
Cash and cash equivalents as per above comprise of the following		
	31st March 2024	31st March 2023
Cash and cash equivalents (note 6 (d) & (e)) *	435.07	1,485.03
<b>Balances per statement of cash flows</b>	<b>435.07</b>	<b>1,485.03</b>

\*Includes Restricted Cash balance

1.30

9.65



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**Notes:**

- (i) The statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 (IND AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting principles and policies to the extent applicable.
- (ii) The above Consolidated financial results were reviewed and recommended by the Audit Committee and were approved by the Board of Directors at their meeting held on 27<sup>th</sup> May 2024
- (iii) The above Consolidated financial results were audited by the Statutory Auditors.
- (iv) In respect of the Non-Current Assets held for sale, during the year 2023-24, the Parent Company entered into a Sale and Purchase Agreement (SPA) for sale of the Floating Production Unit (FPU) along with inventory on board the FPU. The sale isn't concluded as on 31<sup>st</sup> March 2024 pending completion of certain formalities.
- (v) The Group operates in only one business segment i.e. Offshore Drilling.
- (vi) Clause 52 (6) of LODR disclosure – The Parent Company hasn't redeemed its non-convertible redeemable preference shares on due dates and paid no dividend.
- (vii) The figures for the quarter ended 31<sup>st</sup> March 2024 and 31<sup>st</sup> March 2023 are balancing figures between the audited figures in respect of the full financial year and published year to date figures upto the third quarter of the respective financial year.
- (viii) The standalone financial results are as under:

Particulars	QUARTER ENDED	QUARTER ENDED	QUARTER ENDED	YEAR ENDED	YEAR ENDED
	31.03.2024 (AUDITED)	31.12.2023 (UNAUDITED)	31.03.2023 (UNAUDITED)	31.03.2024 (AUDITED)	31.03.2023 (AUDITED)
Total Income	323.13	222.41	224.35	1,004.20	908.96
Profit / (Loss) before tax	(763.72)	(815.36)	(1,031.45)	(2,792.16)	(1,011.38)
Total comprehensive (Loss) / Income for the period	(764.14)	(821.60)	(1,101.78)	(2,830.18)	(1,157.49)

- (ix) The Standalone financial results of the Company for the aforesaid period can be viewed on its website at [www.abanoffshore.com](http://www.abanoffshore.com)

Place: Chennai  
Date 27<sup>th</sup> May 2024



For and on behalf of the Board



C.P. Gopalkrishnan  
Dy. Managing Director & CFO



I. Pursuant to the requirements of SEBI circular dt 22nd Oct 2019, the Company has listed Non-Convertible Cumulative Redeemable Preference Shares: Regulation 52(4) of Securities Additional Information pursuant to Regulation 52 (4) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended based on Consolidated financial results as at and for the year ended 31st March 2024.

**Consolidated**

Ratio	Numerator	Denominator	Quarter Ended 31.03.2024	Quarter Ended 31.12.2023	Quarter Ended 31.03.2023	Year Ended 31.03.2024	Year Ended 31.03.2023
Current Ratio (in times)	Total Current Assets	Total Current Liabilities	0.02	0.02	0.03	0.02	0.03
<b>Debt-Equity Ratio (in times)</b>	Debt consists of borrowings & lease Liabilities	Total Equity	-.Ve	-.Ve	-.Ve	-.Ve	-.Ve
Non-Convertible Cumulative Redeemable Preference Shares (Qty / value)			281 Million/ 2,810.00	281 Million/ 2,810.00	281 Million/ 2,810.00	281 Million/ 2,810.00	281 Million/ 2,810.00
Capital Redemption Reserve (Rs. In Million)			2,810.00	2,810.00	2,810.00	2,810.00	2,810.00
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	-.Ve	-.Ve	-.Ve	-.Ve	-.Ve
Return on Equity Ratio (in %)	Profit for the year less Preference Dividend (if any)	Average Total Equity	N.A.	-.Ve	N.A.	N.A.	N.A.
Trade Receivables Turnover Ratio (in times)	Revenue from Operations	Average Trade Receivables	0.59	0.32	0.20	1.72	1.07
Trade Payables Turnover Ratio (in times)	Cost of Equipment and software licences + Other Expenses	Average Trade Payables	0.24	0.11	0.12	0.59	0.89
Net Capital Turnover Ratio (in times)	Revenue from Operations	Average Capital Employed	-.Ve	-.Ve	-.Ve	-.Ve	-.Ve
Net Profit Ratio	Profit for the year	Revenue from Operations	-.Ve	-.Ve	-.Ve	-.Ve	-.Ve
Return of Capital Employed (in %)	Profit before tax and finance Costs	Capital Employed = Networth + Lease Liabilities + Deferred Tax Liabilities	-.Ve	-.Ve	-.Ve	-.Ve	-.Ve
Return on Investment (in %)	Income generated from invested funds	Average invested funds in Treasury Investments	N.A.	N.A.	N.A.	N.A.	N.A.

Place : Chennai  
Date: 27th May 2024

For and on behalf of the Board



C P Gopalakrishnan  
Dy Managing Director & CFO



**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted alongwith Annual Audited Financial Results- Consolidated**

**Statement on Impact of Audit Qualifications for the Financial Year ended 31<sup>st</sup> March 2024**

[See Regulation 33/52 of the SEBI (LODR) (Amendment) Rules,2016]

**I. Consolidated Financial Results**

Sl.No	Particulars	Audited Figures (as reported before adjusting for qualifications)  (Rs. Millions)	Adjusted Figures (audited figures after adjusting for qualifications)  (Rs.Millions)
1.	Turnover/Total Income	4,477.43	4,477.43
2.	Total Expenditure	17,433.14	Not ascertainable (Refer Note II(e) (ii) below
3.	Net Profit/(Loss) for the year	(12,955.71)	Not ascertainable (Refer Note II(e) (ii) below
4.	Earnings Per Share (Rs.)	(225.81)	Not ascertainable (Refer Note II(e) (ii) below
5.	Total Assets	15,150.37	Not ascertainable (Refer Note II(e) (ii) below
6.	Total Liabilities	253,869.56	Not ascertainable (Refer Note II(e) (ii) below
7.	Net Worth	(238,719.19)	Not ascertainable (Refer Note II(e) (ii) below
8.	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil

**II. Audit Qualifications (each qualification separately)**

1. *Going concern*

As disclosed in Note 2.1 to the financial statements, in preparing the financial statements, the Board of Directors has considered the operations of the Group and the Company as going concerns, notwithstanding that the Group and the Company incurred net losses of US\$125,305,000 and US\$107,582,000 respectively for the financial year ended 31 March 2024, and as at that date, the Group and the Company were in net current liabilities position of US\$2,828,877,000 and US\$2,659,367,000 respectively. The Group and the Company were also in net liabilities position of US\$2,735,167,000 and US\$2,019,017,000 respectively as at 31 March 2024.



As disclosed in Note 19 to the financial statements, the Group's rig, classified as property, plant and equipment, with a carrying amount of US\$31,542,000, has been pledged as security for the borrowings of the Group and the Company, amounting to US\$1,763,342,000 and US\$1,643,261,000 respectively.

In addition, the Group and the Company have defaulted on the payment of their borrowings which have fallen due and have breached the covenants of their borrowings, giving the lenders the right to demand the related borrowings be due and payable immediately. The lenders have issued recall notices to the Group and the Company. Management has 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 that 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 in the preparation of the financial statements of the Group and of the Company for the financial year ended 31 March 2024 is still appropriate. This consideration is made after taking into account that, as of the date of this report, the Group has sold and delivered a total of ten rigs to its buyers, with one rig that is still under operation during the financial year ended 31 March 2024. Additionally, the Group has during the financial year ended 31 March 2024, submitted a proposal for a one-time settlement of the bank borrowings to the lenders. The lenders are currently seeking approval from the relevant authorities for the aforesaid proposal.

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. Additionally, 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 enable us to form an opinion on 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. As a result, adjustments may have to be made to reflect the situation where assets, particularly the rig of the Group, may need to be realised other than in the normal course of business and at amounts which could differ significantly from their current recorded values in the balance sheet. Additionally, the Group and the Company may have to reclassify non-current assets and liabilities as current assets and liabilities respectively. These 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\$163,000 as well as the bank borrowings of the Group and the Company amounted to US\$1,763,342,000 and US\$1,643,261,000 respectively as at 31 March 2024.

There were also no practicable audit procedures available to us to confirm or verify these balances and transactions. As a result, we were unable to ascertain the accuracy and completeness of the aforesaid bank balances and bank borrowings. In addition, we were unable to verify the completeness of the Group's and the Company's transactions with the banks for the aforesaid bank balances and bank borrowings. Consequently, we were unable to determine whether any adjustments and disclosures might have been found necessary in respect of unrecorded and/or undisclosed transactions, facilities and information with the banks in the financial statements.





**3 .Investments in subsidiary corporations, Investment in associated company, 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 2024 amounted to US\$520,337,000. As disclosed in Note 17 to the financial statements, the Group’s carrying amount of the investment in an associated company as at 31 March 2024 amounted to US\$1,110,000. Management has determined that no objective evidence or indication that the carrying amount of the investments in subsidiary corporations and an associated company 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 2024 amounted to US\$111,166,000 and US\$8,847,000 respectively. Management has determined that no expected credit loss is required as there was no significant increase in credit risk.

Based on the latest financial performance and financial position of the associated company, 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 an associated company, and the expected credit losses associated with the amounts due from subsidiary corporations and the immediate and ultimate holding corporation as at 31 March 2024. Consequently, we were unable to determine whether any adjustments might have been found necessary in respect of the carrying amounts of the investment in an associated company and subsidiary corporations, and amounts due from subsidiary corporations and the immediate and ultimate holding corporation as at 31 March 2024.

**4. Existence, accuracy and recoverability of input tax credit (“ITC”)**

As disclosed in Note 12 to the financial statements, the Value-Added Tax (“VAT”) and withholding tax receivables, classified as trade and other receivables of the Group as at 31 March 2024, include the input tax credit (“ITC”) under Goods and Services Tax in India, amounting to US\$575,000.

In the absence of available information, we were unable to obtain sufficient appropriate audit evidence, and there were no other practicable alternative audit procedures that we could perform to satisfy ourselves on the accuracy, existence and recoverability of this ITC amount. Consequently, we were unable to determine whether any adjustments to the amounts or disclosures in the financial statements were necessary and appropriate.

<b>a. Type of Audit Qualification</b>	Disclaimer of opinion/Qualified opinion
<b>b. Frequency of Qualification</b>	Each year
<b>c. For Audit Qualification(s) where impact is quantified by the auditors, Management’s views:</b>	Not quantified by auditors
<b>d. For Audit Qualification(s) where the impact is not quantified by the auditors:</b>	Cannot be quantified
<b>i. Management’s estimation on the impact of audit qualification</b>	



**ii. If Management is unable to estimate the impact, reasons for the same**

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 31<sup>st</sup> March 2024 is still appropriate. The Management is in discussions with its lenders to obtain approval for and implementation of an appropriate debt resolution plan.

In view of the foregoing the impact of the disclaimer of opinion cannot be ascertained.

The basis of disclaimer is 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 31<sup>st</sup> March 2024
- Unable to ascertain the existence, accuracy or recoverability of Input tax credit under Goods and Services Tax.



The Management has considered appropriate provisions of interest on outstanding terms loans based on the rates of original agreements for outstanding terms loans.

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 auditors have reported inability to ascertain the existence, accuracy and recoverability of input tax credit under the Goods and Services Tax amounting to USD 575,000. This represents the unavailed Input Tax Credit on account of such credit not available in the Government GST Portal. These differences were ascertained after reconciliation exercise between the books of account and the Government GST portal. These differences would be set right after getting the credits in the portal pursuant to the appropriate/corrective filing of returns by the suppliers of goods and services.

The statutory auditors of the Parent Company and the wholly have given qualified report due to non-receipt of confirmations of bank balances and outstanding term loans. The impact of this qualification cannot be quantified. The Management has considered appropriate accruals /provisions of interest and outstanding deposits and term loans,



<p>iii). Auditors' comments on (i) and (ii) above</p>	<p>based rates as per the original agreement.</p> <p>Refer the Basis of Disclaimer and the qualified opinion in the auditors' report dated May 27,2024 in the Consolidated financial results of the Group for the year ended March 31,2024. No further comments.</p>
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III.

	Signatories:
Chairman and Audit Committee Chairman	
Managing Director	
Dy. Managing Director & Chief Financial Officer	
Statutory Auditors	



Place: Chennai  
Date: 27<sup>th</sup> May 2024