aban
Offshore Limited
Annual Report 2021-22

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
Reji Abraham	-	Managing Director
K. Bharathan	-	Director
Ashok Kumar Rout	-	Director
Subhashini Chandran	-	Director
Deepa Reji Abraham	-	Director
P. Venkateswaran	-	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

P.Murali & Co.,
Chartered Accountants
Office 'C' 7th Floor, Tower 1
Sakthi Towers,
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 Sixth Annual General Meeting of the members of Aban Offshore Limited will be held on Monday the 26th September 2022 at 10.15 A.M. 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, 2022 (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. P.Venkateswaran (DIN: 00379595) who retires by rotation and being eligible offers himself for reappointment.
3. To appoint M/s. Ford Rhodes Parks & Co. LLP, Chartered Accountants, Chennai as Statutory Auditor of the Company and fix their remuneration and in this connection to consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary resolution**.

   "RESOLVED THAT M/s. Ford Rhodes Parks & Co. LLP, Chartered Accountants, Chennai (Registration No. 102860W/W100089) be and are hereby appointed as the Statutory Auditors of the Company to hold office from the Conclusion of this Annual General Meeting ("AGM") till the conclusion of Forty first AGM to be held in the year 2027 to conduct the audit on a remuneration as may be paid on a progressive billing basis to be agreed between the Statutory Auditor and the Board or any Committee thereof."

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 196,197 and 203 and other applicable provisions and rules, if any, of the Companies Act, 2013 read with Schedule V to the Act and subject to approval Central Government, consent of the Company be and is hereby accorded for re-appointment of Mr.Reji Abraham (DIN:00210557) as Managing Director of the Company for a period of 5 years with effect from 26.09.2022 to 25.09.2027 on the terms and conditions with respect to remuneration as under:

A a) Basic Salary

In the range of Rs.15,00,000/- to Rs.25,00,000/- per month.

b) Perquisites

I) Housing

Expenditure by the Company on hiring furnished accommodation shall be subject to a ceiling of 60% of salary

If the Company does not provide accommodation the HRA will be paid up to 60% of basic salary.

Gas, Electricity, water or reimbursement of expenses in lieu thereof shall be in accordance with the schemes and rules of the Company.

II) Medical Reimbursement

Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary in a year or three months salary over a period of three years

III) Leave Travel Concession

Reimbursement of expenditure incurred for self and family once a year subject to a maximum of one month's salary.

IV) Club Fees

Actual fees for a maximum of two clubs subject to a maximum of Rs.20,000/- per annum. No admission and life membership fees will be paid.

V) Personal Accident Insurance and other term insurance.

The premium shall be paid as per the rules of the Company.

VI) Contribution to Provident Fund and Superannuation Fund shall be paid as per the rules of the Company and shall not be included in the computation of ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

VII) Gratuity shall not exceed half a month's salary for each completed year of service

VIII) Car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company.

IX) Leave

Privilege Leave

On full pay and allowance as per the Rules of the Company. Encashment of the leave at the end of the tenure will not be included in the computation of ceiling and perquisites. He will also be entitled to Casual Leave and sick leave as per the Leave Rules of the Company.

The Remuneration Committee be and is hereby authorised in its absolute discretion and from time to time to fix within the range stated above the remuneration payable to Mr.Reji Abraham.

B. Minimum Remuneration

In case of loss or inadequacy of profits in any financial year during the currency of tenure of Mr.Reji Abraham, the payment of salary and perquisites shall be governed by the limits prescribed under Section II of Part II of Schedule to the Act.

"RESOLVED FURTHER THAT Mr.Reji Abraham shall not retire by rotation during his tenure as Managing Director."

// By Order of the Board //

Chennai- 600 008 **S.N.Balaji**
May 26, 2022 Dy. General Manager (Legal) & Secretary

NOTES

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020 and Circular dated January 13, 2021 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

2. This Notice, together with the Annual Report for the financial year 2021-22 is being sent only in electronic form, in accordance with the relaxation granted by the Securities and Exchange Board of India Vide Circular No.SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January 2021, to all the shareholders whose names stand on the Register of Members/ list of Beneficial Owners as received from National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL) as at the close of business hours on Friday, the 22nd July 2022 and who have registered the email id with the Company/Depositories.

3 Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

   Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.abanoffshore.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL https://www.evoting.nsdl.com.

4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution /Authorisation shall be sent to the Scrutinizer by email though its registered email address to ramgcs@gmail.com with a copy marked to evoting@nsdl.com.

5 Members who are holding shares in physical form arerequested 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.

6. 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 CAMEO in case the shares are held by them in physical form.

7. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Cameo Corporate Services Limited (CAMEO), the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

8. 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 19th September, 2022 through email on secretarial@aban.com. The same will be replied by the Company suitably.

9. Pursuant to the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is providing/hosting the required details of Unclaimed amount referred to under Section 124 of the Companies Act, 2013 on its website and also on the website of the Ministry of Corporate Affairs (MCA) viz www.iepf.gov.in.

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 23, 2022 (9:00 a.m. IST) and ends on September 25, 2022 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on 19th day of September 2022 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 Mr. G Ramachandran (Membership No. FCS 9687) of M/s. G Ramachandran & Associates, 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:

Step 1: Log-in to NSDL e-voting system at

https://www.evoting.nsdl.com/

Step 2: Cast your vote electronically on NSDL e-voting system.

Details on Step 1 are mentioned below:

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 “Shareholders” section.
3. A new screen will open. You will have to enter your User ID, your Password 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) of 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 EVEN is 123456 and folio number is 001*** then user ID is 123456001***

5 Your password details are given below:

a) If you are already registered for e-voting, then you can use 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 by NSDL. 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 in your mailbox from evoting@nsdl.com. 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) In case you have not registered your email address with the Company/ Depository, please follow instructions mentioned below in this notice.

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.

d) Members can also use the one-time password (OTP) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, click 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.

1. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of the Company.

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

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

6. Upon confirmation, the message "Vote cast successfully" will be displayed.

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

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

General Guidelines for shareholders

Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a 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 email to ramgcs@gmail.com with a copy marked to evoting@nsdl.co.in.

1. Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a 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 email to ramgcs@gmail.com with a copy marked to evoting@nsdl.co.in.

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 https://www.evoting.nsdl.com to reset the password.

3. In case of any queries relating to e-voting you may refer to the FAQs for Shareholders and e-voting user manual for Shareholders available at the download section of https://www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

In case of any grievances connected with facility for e-voting, please contact :

Ms. Pallavi Mhatre, Senior Manager, NSDL,
4th Floor, 'A' Wing, Trade World,
Kamala Mills Compound, Senapati Bapat Marg,
Lower Parel, Mumbai 400 013.
Email: evoting@nsdl.co.in/pallavid@nsdl.co.in,
Tel: 91 22 2499 4545/ 1800-222-990.

Process for registration of email id for obtaining Annual Report and user id/password for e-voting

Physical Holding	Send a request to the Registrar and Transfer Agents of the Company, CAMEO at sofia@cameoindia.com providing 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) for registering email address.
Demat Holding	Please contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process by your DP.

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

1. Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by NSDL at https://www.evoting.nsdl.com by using their remote e-voting login credentials and selecting the EVEN for Company's AGM.

   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. Further Members can also use the OTP based login for logging into the e-voting system of NSDL.

2. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.

3. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/ 1800-222-990 or contact Mr. Amit Vishal, Senior Manager – NSDL at amitv@nsdl.co.in/ 022-24994360

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, 2022 (9:00 a.m. IST) to September 19, 2022 (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.

Other Instructions

1. 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.

2. 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.

EXPLANATORY STATEMENT PURSUANT TO SECTION 101 (2) OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESS CONTAINED IN THE NOTICE DATED 26.05.2022.

ITEM NO.4

Mr.Reji Abraham was appointed as Managing Director for a period of five years effective 26.09.2017 by the members at the Annual General Meeting held on 11th September, 2017. His term expires on 25.09.2022. His bio-data is available under the Corporate Governance Report.

Considering his contributions to the growth and in the best interest of the Company, the Directors at their meeting held on 26.05.2022 recommended the re-appointment of Mr.Reji Abraham as Managing Director for a further period of 5 years from 26.09.2022 to 25.09.2027 as detailed in the resolution. The resolution requires approval of the members and hence the item is placed before the Meeting for approval.

Mr.Reji Abraham is not being paid remuneration in view of the loss incurred by the Company and on account of default to the lenders. In the event of Company turning around, during his term, remuneration referred in the resolution can be paid.

Except Mr. Reji Abraham and Mrs. Deepa Reji Abraham, none of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the item of business.

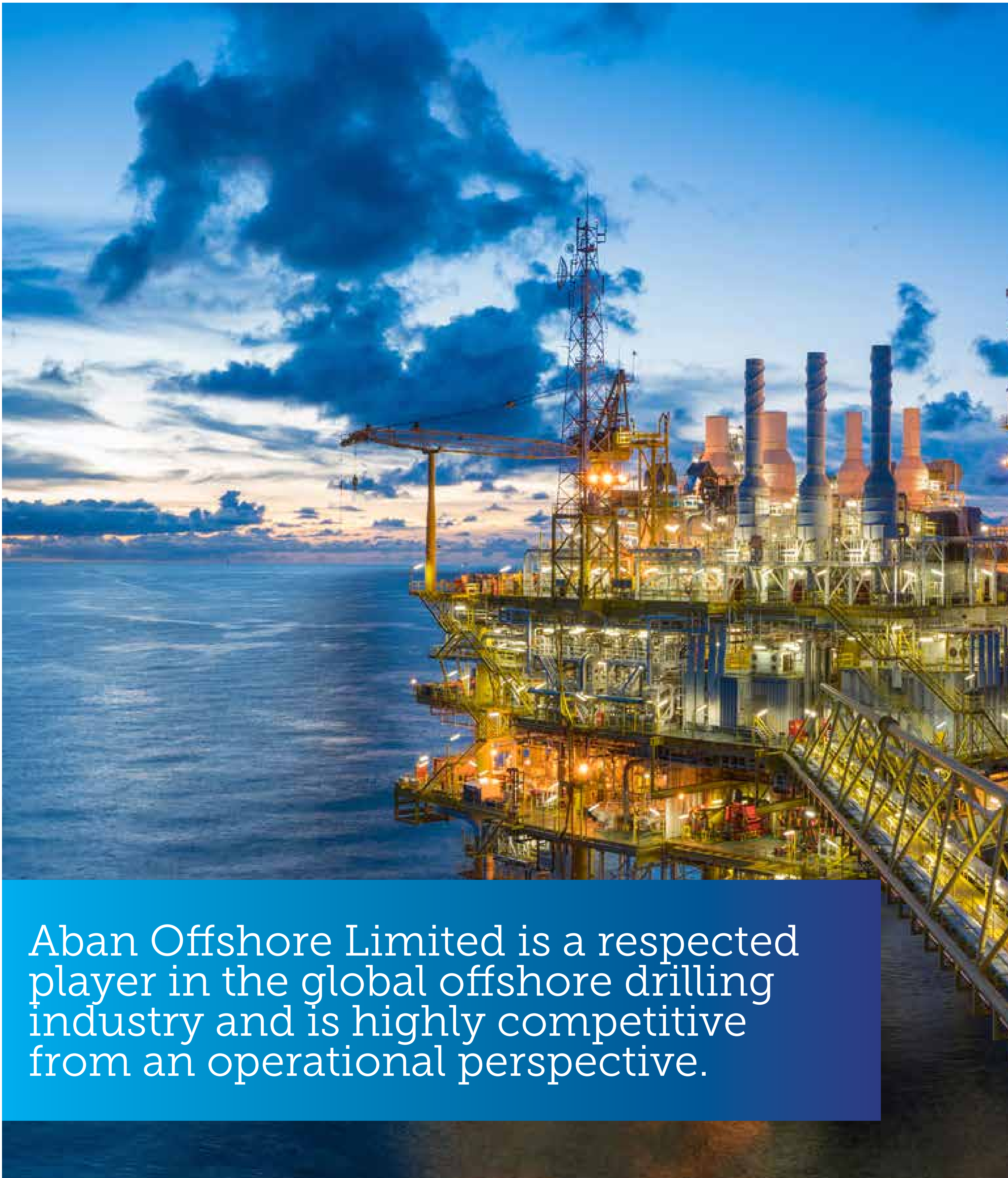
The terms of contract and the interest of the Director set out in the resolution and the Explanatory Statement may be treated as the abstract of the Memorandum under Section 190 of the Companies Act, 2013.

The Board recommends the resolution set forth for the approval of the members.

// By Order of the Board //

Chennai- 600 008
May 26, 2022

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



Aban Offshore Limited is a respected player in the global offshore drilling industry and is highly competitive from an operational perspective.

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

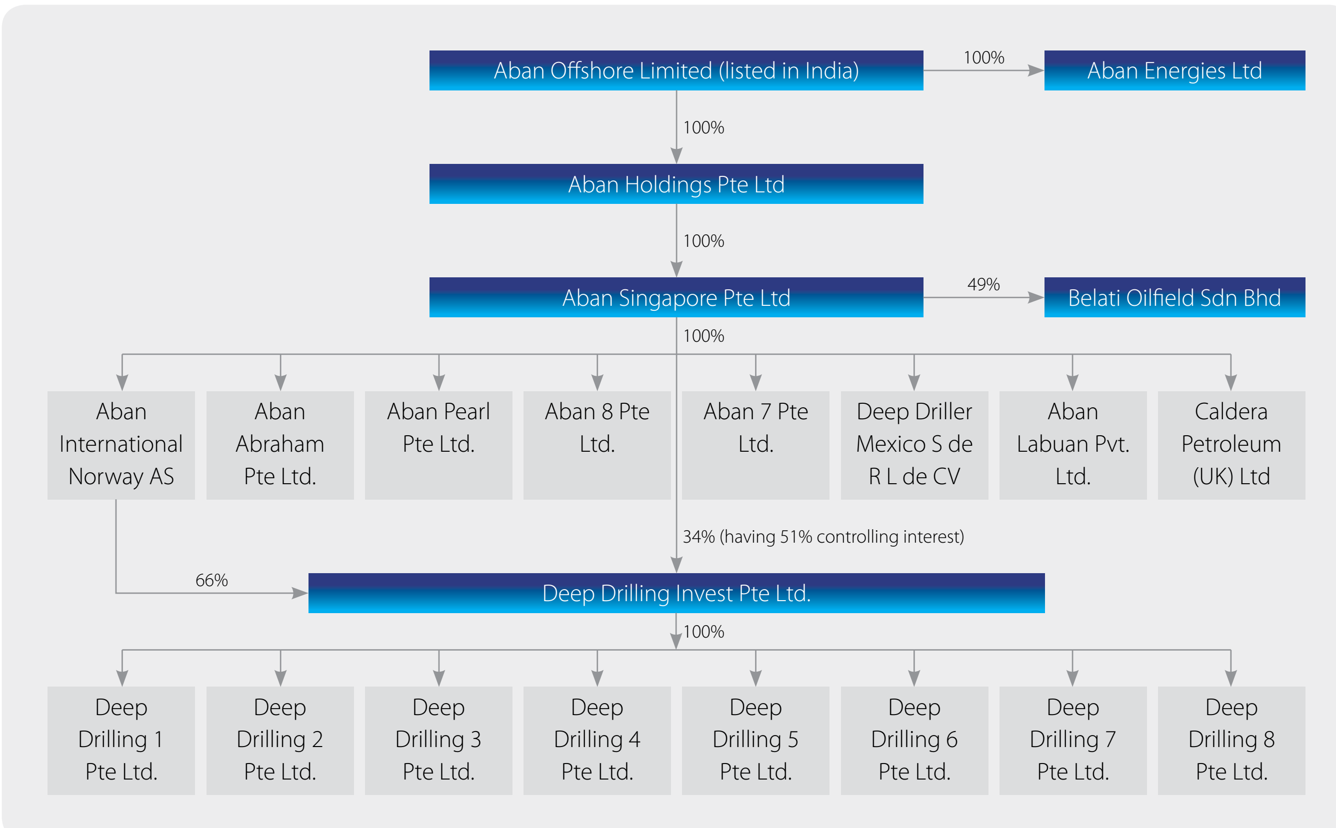
Mr. M.A. Abraham founded the Aban Group in Chennai, India, in 1966 as an engineering firm. Mr. Abraham started working on high-pressure systems and cross-country pipes after gaining experience in the construction industry. He expanded his business across the value-added sectors of drilling, power generation and IT-enabled services by using his 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.

Corporate structure



Clients

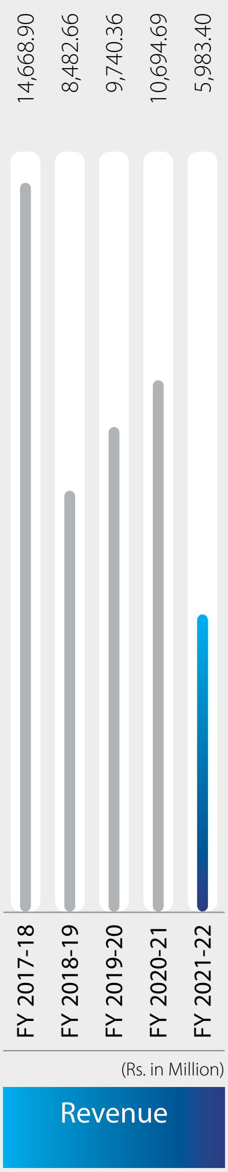
- ONGC Limited
- Petrobras (Brazil)
- Brunei Shell Petroleum Co Sendirian Berhad
- Chevron (Thailand) Limited
- PEMEX (Mexico)
- Petronas Carigali Sendirian Berhad
- Reliance Industries Ltd.
- Hardy Exploration & Production (India) Inc.
- Shell Malaysia Limited
- Gujarat State Petroleum Corporation Limited
- 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
- Santos Bangladesh Limited
- Petrofac (Malaysia)
- Exxon Mobiil (Malaysia)
- ADNOC
- Dana Gas (UAE)

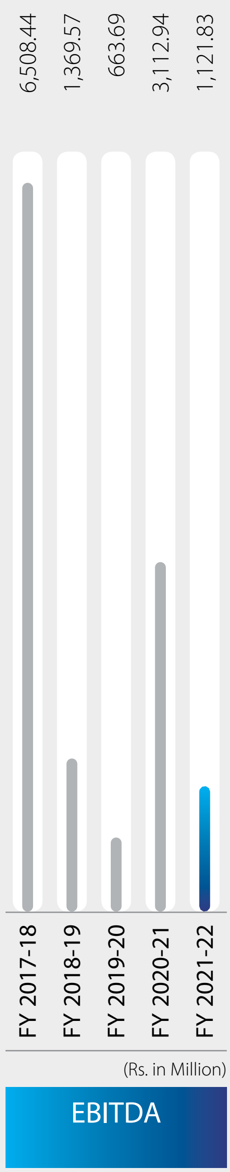
Consolidated Financial Results

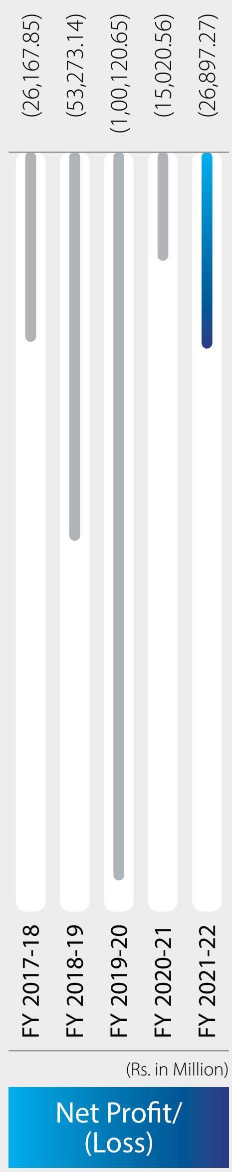
(Rs. in Million)

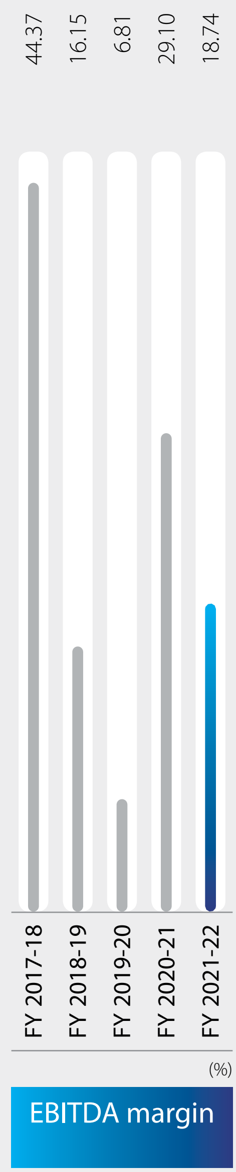
Particulars	Consolidated	
	FY 2021-22	FY 2020-21
Revenues	5,983.40	10,694.69
Expenses	(4,861.57)	(7,581.75)
EBITDA	1121.83	3,112.94
EBIDTA margin %	18.75	29.11
Finance costs	(10,966.34)	(11,057.10)
Depreciation	(1,448.64)	(1,949.90)
Other Income / Share of profit from associates	138.50	2,238.84
Profit / (Loss) before tax	(11,154.65)	(7,655.22)
Tax including Deferred Tax	(230.00)	197.01
Profit / (Loss) after tax	(11,384.65)	(7,458.21)
Impairment/write-down of property, plant, equipment and inventory	(10,844.41)	(7,068.65)
Impairment/write-off receivables	(82.85)	(5,531.09)
Exceptional Item lan waiver	541.13	332.64
Other comprehensive income	(5,126.49)	4,704.75
Net Profit/(Loss)	(26,897.27)	(15,020.56)

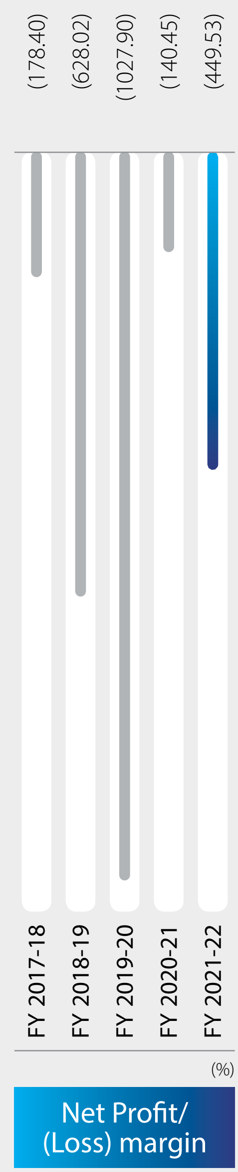
Our financial performance over the last few years












EPS (diluted)
(Rs.)
FY 2017-18 (446.62)
FY 2018-19 (903.61)
FY 2019-20 (1,537.46)
FY 2020-21 (337.99)
FY 2021-22 (373.04)
EPS (basic)
(Rs.)
FY 2017-18 (446.62)
FY 2018-19 (903.61)
FY 2019-20 (1,537.46)
FY 2020-21 (337.99)
FY 2021-22 (373.04)
ROCE
(%)
FY 2017-18 (8.76)
FY 2018-19 (43.54)
FY 2019-20 (2,984.01)
FY 2020-21 N. A
FY 2021-22 N.A

Managing Director's overview

Overview

The principal message that the management wishes to convey to the shareholders is that the company is engaged in moderating its liabilities and attempting to reinvent itself to capitalise on the opportunities within the global rig service industry.

One of the casualties of possibly the longest downtrend seen in the global rig service market is that the time has come to stop waiting expectantly for a revival and seek nimbler and restructured ways of returning to profitability.

In the past, the company worked with the optimism that if it remained asset-rich, it would be empowered to capitalise on a prospective rebound, maximise cash flows, pare liabilities and strengthen its Balance Sheet to be able to live another day. The optimism could not be sustained given a mounting deficit and the pressure from bankers and institutions to moderate debt.

Given this, the company decided to restructure even as there were signs of a revival in the crude oil market. We believe that the recent revival in oil prices following the Ukraine-Russia war will enhance cash flows for oil drilling companies that could prompt the next round of oil exploration.

The company embarked on the exercise to sell 14 rigs owned by the Company and its step-down subsidiaries (including five rigs in the current financial year) following Board and shareholder approval. Six rigs have already been delivered and transactions completed, which helped moderate debt. The sale of the balance of eight rigs is in various stages of completion. We believe that this sale exercise reflects the company's commitment to stay responsive and responsible to the interests of its stakeholders.

I must reiterate a point that I had made last year that during the previous sectorial downtrends, the drilling industry usually encountered higher day rates during an uptrend and weaker realisations during a downtrend with moderate changes in the overall sectorial capacity utilisation. This reality made it possible for rig owners to report relatively low profits or higher surpluses during terminal market points.

However, this decline in the market has been different. The extended slowdown has threatened the Balance Sheets of most players. Even when there has been a revival in exploration, it has not been sustained long enough to make a significant difference in global rig utilisation. The result has been an industry shakeout with several players seeking to exit the business or continuing to nurse losses in the expectation of a turnaround.

At Aban, we are cautiously optimistic as we believe that capacity utilisation has improved and day rates have revived. We expect to capitalise on this improvement with 4 operating rigs, which have been deployed with a prominent Indian exploration company at attractive rates.

I am pleased to communicate that we also deployed one of our rigs with a new client, though for a short-term contract, making it possible for us to broad base our customer profile.

Our priority will be to remain connected with global oil exploration companies, stay abreast of their exploration programmes and seek opportunities to deploy our rigs. Besides, we will keep engaging with our lenders to enhance asset utilisation, renegotiate term loans and explore the possibility of downsizing our portfolio.

During the year under review, your company continued to strengthen its ESG commitment. Despite challenges related to cash flows, the one area that has not been compromised is the company's commitment to the safety of assets and operations. The result is that the company continues to be respected for the training related to operational safety, asset maintenance and standard operating protocols. The company's assets also deliver high uptime, ensuring a superior customer value proposition, regulatory compliance, ethical framework and strategic clarity.

It would be relevant to indicate that a lower number of rigs is being constructed, given lower long-term revenue visibility, while some rigs are being scrapped, which should right-size the sector. Meanwhile, we are moving towards asset-lightness where we leverage our experience and knowledge aggregated across three decades to leverage new business models that could help the company to return to profitability.

Reji Abraham,

Managing Director

During the year under review, your Company continued to strengthen its ESG commitment. Despite challenges related to cash flows, the one area that has not been compromised is the company's commitment to the safety of its assets and operations.

Management discussion and analysis

Global economic overview

The global economy grew an estimated 5.9% in 2021 compared to a de-growth of 3.3% in 2020. This improvement was largely due to increased vaccination rollout the world over and a revival in economic activity based on catch-up consumption.

The global economic recovery is attributed to accelerated vaccine rollout across 4.4 billion people, around 56% of the global population (single dose). The spot price of Brent crude oil increased 53.34% from US$ 50.37 per barrel at the beginning of 2021 to US$ 77.24 per barrel at the end of the calendar year, strengthening the performance of oil-exporting countries and moderating growth in importing nations. Global FDI reported an increase from $929 billion in 2020 to an estimated $1.65 trillion in 2021.

The global economy was affected by prohibitive shipping freight rates, and a shortage of shipping containers and semiconductor chips in 2021, affecting global economic recovery. Inflation was at its highest since 2011, especially in the advanced economies, catalysed by a run-up in commodity prices. Some emerging and developing economies were positioned to withdraw policy support to contain inflation even as the economic recovery was still incomplete.

The prominent feature of the global economic activity during the year under review was a sharp revival in commodity prices to record levels following the drop at the time of the pandemic outbreak. The commodities that reported a sharp increase in prices comprised steel, coal, oil, copper, food grains, fertilisers and gold.

The global economy is projected to grow at a modest 2.6% in 2022 following the Russia-Ukraine crisis. A higher interest rate environment could affect emerging markets and developing economies with large foreign currency borrowings and external financing needs in 2022.

Regional growth (%)	2021	2020
World output	5.9	(3.3)
Advanced economies	5.0	(4.9)
Emerging and developing economies	6.3	(2.4)

(Source: IMF, World Bank, UNCTAD)

Performance of major economies

United States: The country reported GDP growth of 5.7% in 2021 compared to a de-growth of 3.4% in 2020, following the government's investment of trillions of dollars in COVID relief.

China: The country's GDP grew 8.1% in 2021 compared to 2.3% in 2020 despite it being the novel coronavirus epicenter.

United Kingdom: The country's GDP grew 7.5% in 2021 compared to a 9.9% de-growth in 2020.

Japan: The country reported a growth of 1.7% in 2021 following a contraction in the previous year.

Germany: The country reported a GDP growth of 2.9% in 2021 compared to a decline of 4.9% in 2020.

(Source: World Bank, IMF, Business Standard, Times of India)

Indian economic overview

The Indian economy reported an attractive recovery in 2021-22, its GDP rebounding from a de-growth of 7.3% in 2020-21 to an estimated growth of 8.7% in 2021-22. By the close of 2021-22, India was among the six largest global economies, its economic growth rate was the fastest among major economies (save China), its market size at around 1.40 billion the second most populous in the world and its rural under-consumed population arguably the largest in the world.

Y-o-Y growth of the Indian economy

	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Real GDP growth (%)	6.1	4.2	(7.3)	8.7

Growth of the Indian economy, 2021-22

	Q1, FY22	Q2, FY22	Q3, FY22	Q4, FY22
Real GDP growth (%)	20.1	8.4	5.4	4.1

The Indian economy was affected by the second wave of the pandemic that affected economic growth towards the fag end of the previous financial year and across the first quarter of the financial year under review. The result is that after a growth of 1.6% in the last quarter of 2020-21, the Indian economy grew 20.1% in the first quarter of 2021-22 due to the relatively small economic base during the corresponding period of the previous year.

India's monsoon was abundant in 2021 as the country received 99.32% of a normal monsoon, lower though than in the previous year. The estimated production of rice and pulses recorded volumes of 127.93 million tonnes and 26.96 million tonnes respectively. The country's manufacturing sector grew an estimated 12.5%, the agriculture sector by 3.9%, mining and quarrying by 14.3%, construction by 10.7% and electricity, gas and water supply by 8.5% in 2021-22.

There were positive features of the Indian economy during the year under review.

Foreign direct investments (FDI) in India increased 15% to US$87 billion in 2021 from US$74 billion in 2020, a validation of global investing confidence in India's growth story. The government approved 100% FDI for insurance intermediaries and increased the FDI limit in the insurance sector from 49% to 74% in Union Budget 2021-22.

India surpassed the Rs. 88,000 crore target set for asset monetisation in 2021-22, raising over Rs. 97,000 crore with roads, power, coal, mining and minerals accounting for a large chunk of the transactions.

The Indian government launched a four-year Rs. 6 lakh crore asset monetisation plan (roads and highways, pipelines, power transmission lines, telecom towers, railways station re-development, private trains, tracks, goods sheds, dedicated freight corridor, railways stadiums, airports, projects in major ports, coal mining projects, mineral mining blocks, national stadia, redevelopment of colonies and hospitality assets).

In 2021, India was the largest recipient of global remittances. The country received US$ 87 billion, with the US being the largest source (20%). India's foreign exchange reserves stood at an all-time high of US$ 642.45 billion as of 3 September, 2021, crossing US$ 600 billion in FOREX reserves for the first time.

India's currency weakened 3.59% from Rs. 73.28 to Rs. 75.91 to a US dollar through 2021-22. The consumer price index (CPI) of India stood at an estimated 5.3% in 2021-22. India reported improving Goods and Services Tax (GST) collections month-on-month in the second half of 2021-22 following the relaxation of the lockdown, validating the consumption-driven improvement in the economy. The country recorded its all-time highest GST collections in March 2022 standing at Rs. 1.42 lakh crore, which is 15% higher than the corresponding period in 2021.

India ranked 62 in the 2020 World Bank's Ease of Doing Business ranking. The country received positive FPIs worth Rs. 51,000 crore in 2021 as the country ranked fifth among the world's top leading stock markets with a market capitalisation of $3.21 trillion in March 2022.

The fiscal deficit was estimated at ~Rs. 15.91 trillion for the year ending 31 March, 2022, on account of a higher government expenditure during the year under review.

India's per capita income was estimated to have increased 16.28% from Rs. 1.29 lakh in 2020-21 to Rs. 1.50 lakh in 2021-22 following a relaxation in lockdowns and increased vaccine rollout.

India's tax collections increased to a record Rs. 27.07 lakh crore in 2021-22 compared with a budget estimate of Rs. 22.17 lakh crore. While direct taxes increased 49%, indirect tax collections increased 30%. The tax-to-GDP ratio jumped from 10.3% in 2020-21 to 11.7% in 2021-22, the highest since 1999.

Retail inflation in March at 6.95% was above the RBI's tolerance level of 6% but fuel prices played no part in this surge. Retail inflation spiked to a 17-month high in March 2022, above the upper limit of the RBI's tolerance band for the third straight month.

(Source: Economic Times, IMF, World Bank, EIU, Business Standard, McKinsey, SANDRP, Times of India, Livemint, InvestIndia.org, Indian Express, NDTV, Asian Development Bank)

Indian economic reforms and Budget 2022-23 provisions

The Budget 2022-23 seeks to lay the foundation of the Indian economy over the 'Amrit Kaal' period of the next 25 years leading to 100 years of independence in 2047. The government is emphasising the role of PM GatiShakti, Inclusive Development, Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition and Climate Action, as well as Financing of Investments.

The capital expenditure target of the Indian government expanded by 35.4% from Rs. 5.54 lakh crore to Rs. 7.50 lakh crore. The effective capital expenditure for 2022-23 is seen at Rs. 10.7 lakh crore. An outlay of Rs. 5.25 lakh crore was made to the Ministry of Defence, which is 13.31% of the total budget outlay. A boost was provided to India's electric vehicle policy 'Scheme for Faster Adoption and Manufacturing of (Hybrid and) Electric Vehicle in India'. An announcement of nearly Rs. 20,000 crore was made for the PM Gati Shakti National Master Plan to catalyse the infrastructure sector. An expansion of 25,000 km was initiated for 2022-23 for the national highways network. To boost the agricultural sector, an allocation of Rs. 2.37 lakh crore was made towards the procurement of wheat and paddy under MSP operations. An outlay of Rs. 1.97 lakh crore was announced towards Production Linked Incentive (PLI) schemes across 13 sectors, with minimum production in India is expected to be around Rs. 37.5 lakh crore over 5 years and minimum expected employment over 5 years is nearly 1 crore.

The Indian economy is projected to grow by a little more than 7% in 2022-23 (World Bank estimate), buoyed by tailwinds of consistent agricultural performance, flattening of the COVID-19 infection curve, increase in government spending, favorable reforms and an efficient roll-out of the vaccine leading to a revival in economic activity.

Across the next three years, capital expenditure in core sectors - cement, metal, oil refining and power - should be about Rs. 5 trillion. Besides, the government's production linked incentives (PLI)–led capex should generate an incremental Rs. 1.4 trillion in sectors like consumer durables, pharmaceuticals and automobiles.

Global crude oil market overview

The global crude oil production was estimated at 97.48 million barrels per day in 2021 and set to grow by 3.2 million barrels per day in 2022 to 100.61 million barrels per day.

Following the outbreak of the Russia-Ukraine war, the average price of Brent crude oil stood at $97 per barrel (b) in February 2022, an $11/b increase from January 2022. Daily spot prices for Brent closed at almost $124/b in the first week of March 2022 as sanctions on Russia and other actions created uncertainties about oil supply. These events occurred against a backdrop of low oil inventories and persistent upward oil price pressures. Crude price continues to hover around US$ 120 since March 2022.

Global oil inventories declined steadily since mid-2020, and inventory draws averaged 1.8 million barrels per day (b/d) from third quarter of 2020 until the end of 2021. Oil inventories fell in the first two months of 2022 and commercial inventories in the OECD ended February at 2.64 billion barrels, the lowest since mid-2014. Global crude oil demand is projected to peak in 2030 at 103 million barrels per day and stay unchanged until 2050.

United States remained the largest oil-producing country for seven years. The country's crude oil production was expected to grow to 12.0 million b/d in 2022, up 760,000 b/d from 2021. It was forecasted that crude oil prices would remain high enough to drive U.S. crude oil production to record levels in 2023, reaching an estimated 12.6 million barrels per day (b/d). In terms of consumption, the country was expected to stay at the top of the table with a projected consumption of 17.4 million barrels per day in 2030.

The future of oil price and demand remains unpredictable due to the ongoing conflict between Ukraine and Russia, vaccine developments, reopening of global economy and other factors

(Source: ETimes, EIA)

Outlook

The global consumption of petroleum and liquid fuels could average 100.6 million b/d through 2022, up 3.1 million b/d from 2021. It is projected that consumption could increase by 1.9 million b/d in 2023 to an average 102.6 million b/d. Economic forecasts were made before Russia invaded Ukraine. The outlook for economic growth and oil consumption in Russia and surrounding countries is now uncertain. Oil consumption will depend on how economic activity and travel respond to probable sanctions and events.

(Source: iea.gov, Statista)

Indian crude oil sector overview

The oil and gas industry rank among the eight core industries of India. The country is the third-largest consumer of oil in the world, after the United States and China.

The country's crude oil production declined 11.22% in 2020-21 as the first wave of Covid-19 and subsequent demand destruction due to lockdowns moderated domestic consumption. Cumulative crude oil production during 2020-21 stood at 30.49 MT, 5.22% lower than the production (32.17 MT) during the corresponding period of the previous year.

India's oil demand rose from 4.51 million barrels per day (BPD) in 2020 to 4.76 million BPD in 2021, a 5.61% growth, catalysed by relaxations of COVID-19 restrictions in multiple states in line with a decline in new infections. The country's oil demand is projected to jump 8.2% to 5.15 million barrels per day in 2022 as the economy continues to rebound. Moreover, the OPEC monthly report (March 2022) stated that India is prepared to add 0.39 million barrels per day (bpd) of crude oil demand in 2022. Looking ahead, India's crude oil demand could be around 7.2 million barrels per day in 2030 and 9.2 million barrels per day in 2050. (Source: makeinindia.com, ETimes, Indian Express)

Outlook

India's energy demand is anticipated to grow faster than the energy demand of all major economies on the back of robust economic growth. The country's share of the global primary energy consumption is projected to increase two-fold by 2035. Crude oil consumption is expected to grow at a CAGR of 3.60% to 500 million tonnes by 2040 from 238 million tonnes in 2021.

(Source: Business Standard)

Global drilling and offshore rigs industry

During the forecast period (2022–2027), the offshore drilling rigs market is estimated to grow at a CAGR of more than 2%. Due to a drop in oil prices in 2020 and delays in oil and gas upstream developments in offshore areas, the COVID-19 pandemic had an impact on this market. However, after 2020, crude oil prices are likely to recover, making offshore drilling economical. Between 1975 and 2021, the global average number of oil rigs was 1,361. The number of active jack-ups stood at 432 units in 2021. Of the total, the Middle East registered the majority of jack-up demand, with 152 units in 2021. In addition, the improved viability of deep water and ultra-deep-water projects, due to increasing technological innovation, is anticipated to drive the offshore drilling market.

New markets, including Gabon, Senegal, Guyana, Trinidad and Tobago, Egypt and the Mexican side of the Gulf of Mexico, are encouraging the development of offshore reserves, particularly deep-water and ultra-deep-water reserves. This element is likely to provide operational organisations with opportunities. Furthermore, the Middle East and African region are predicted to be prospective markets, with Nigeria, Angola, and Egypt accounting for the majority of demand.

(Source: mordorintelligence.com, Statista)

Opportunities	The recovery of the aviation and tourism sectors can catalyse demand for the oil industry.	Increasing power and energy projects could be a growth driver for the oil industry.	Increase in infrastructural spending is projected to catalyse oil demand.	Increase in the sale of automobiles could drive the demand for oil.
Threats	The geopolitical tension during the Russia-Ukraine war hasn't been resolved, leading to a sustained volatility in crude oil prices.	The rise of electric vehicles could shrink fuel demand.	The operating capacities of key global players could be under threat with product specifications being tightened by strict environmental legislations.	The world could increasingly move away from fossil fuels.

Risk management

Economic risk	Volatility in prices could impact the Company's profitability	Mitigation: A majority of the company's assets are secured by medium-term/long-term contracts, protecting the Company from short-term volatility
Regulatory risk	Multiple compliance issues could impact operations	Mitigation: The Company established and deployed the most stringent safety and operational standards and complies with the globally accepted Quality, Health, Safety and Environment (QHSE) norms
Competition risk	Increasing competition could affect the company's long-term prospects	Mitigation: Over the last three decades, the company established enduring relationships with global players. It leveraged the power of depreciated assets to enhance competitiveness over new build-ups. The company's diversified rig portfolio empowered it to address diverse terrains
Geographical risk	Focusing on particular geography could impact the company's performance	Mitigation: The Company's offshore services are spread in India and the Middle East, de-risking it from excessive dependence on any one geography
Technological risk	The use of obsolete technologies could result in businesses moving to more competitive companies	Mitigation: Systematic technological/asset upgrades empowered it to comply with international standards
Manpower risk	Talent attrition could affect productivity	Mitigation: The Company reported low attrition compared to international peers
Asset utilisation risk	An instability in global crude oil prices could impact the company's performance	Mitigation: The Company deployed assets across long-term contracts, which ensured better revenue visibility.
Liquidity risk	High debt could enhance a liquidity crunch.	Mitigation: The Company is engaged in discussion with financial institutions and stakeholders to settle dues

Operational performance

The Company generated revenues worth Rs. 5,983.40 million in 2021-22 compared to the previous year's revenue of Rs. 10,694.69 million. At the close of 2021-22, the Company's rigs were operating under a balanced mix of long-term and short-term contracts. The Company's EBITDA decreased from Rs. 3,227.45 million during 2020-21 to Rs. 1,125,37 million during 2021-22. The Company reported a net loss of Rs. 26,897.27 million in 2021-22 compared with a net loss of Rs. 15,020.65 million in 2020-21.

Ratio	2020-21		2021-22	
	Standalone	Consolidated	Standalone	Consolidated
Debtors' turnover	0.37	1.31	0.25	1.25
Inventory turnover	0.16	0.45	0.03	0.36
Interest coverage	(2.85)	(1.02)	(0.53)	(1.03)
Current Ratio	0.68	0.06	0.63	0.04
Debt equity	-ve	-ve	-ve	-ve
Operating profit margin %	(148.79)	(105.87)	(51.22)	(188.03)
Net profit margin %	(148.33)	(140.45)	(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 0.06 times and average debtors decreased by approximately Rs. 3,397.55 million mainly due to impairment/Write off of receivables from Middle East operations during the financial year 2020-21

Interest Coverage, Standalone
Negative EBIT has decreased 5.52 times due to the impairment of Property, Plant and Equipment (PPE) which decreased by approximately Rs. 998.96 million. Write-off of receivables decreased by Rs. 1,140.68 Million, partly offset by a decrease in revenues of Rs. 738.65 Million

Interest Coverage, Consolidated
Interest expense decreased by approximately Rs. 90.76 million and negative EBIT decreased by 0.006 times due to a drop-in revenue by 1.78 times and a drop in overall expenses by Rs. 4,894.39 million or 1.28 times, offset by the impairment of Property, Plant and Equipment that increased 1.733 times.

Current Ratio, Standalone
Current assets decreased by approximately Rs. 458.48 million due to collection/Write off of trade receivables and inventory write-down. Current liabilities have increased by approximately 5.2 million in the current year compared to the last year due to one more year of interest accruals on all borrowings offset by the repayment of trade creditors and a decrease in advances from customers.

Current Ratio, Consolidated
Current assets decreased approximately by Rs. 2,591.38 million due to collection/write off of trade receivables/impairment of trade receivables, write-down inventory and a reduction in loans and advances.

Operating Profit Margin, Standalone
Negative EBIT decreased due to the impairment of PPE and write-off of receivables in the financial year 2020-21 decreasing by approximately Rs. 1,899.84 million.

Operating Profit Margin consolidated
Negative EBIT decreased by 0.006 times due to overall expenses dropping by 1.28 times compared to the last year, a decrease in revenue by 1.78 times and an increase in impairment of PPE by 1.733 times offsetting each other.

Net Profit Margin, Standalone
Net loss margin reduced by 15% approximately due to a decrease in impairment of PPE by Rs. 998.96 million and write-off/impairment of trade receivables decreased by Rs. 1,140.68 million partly offset by a decrease in revenue by Rs. 738.65 Million.

Net Profit Margin, Consolidated
Net loss margin Increased by two times approximately due to impairment of PPE, an increase by 1.733 times and a decrease in revenue by 1.78 times for the group.

Inventory Turnover, Consolidated
Average inventory decreased by Rs.1,325.30 million due to an inventory write-down approximately by Rs. 670.19 million in the current year and Rs.1,198.44 million in the financial year 2020- 21

Inventory Turnover, Standalone
Average inventory decreased by Rs.103.30 million approximately due to a .write down of inventory of Rs. 92.32 million in the last financial Year.

Human resources

The Company believes that its intrinsic strength lies in its dedicated and motivated employees. The Company provided competitive compensation, amiable work environment and acknowledged employee performance through planned reward-and-recognition programmes. The Company aimed to create a workplace where every person can achieve his or her potential. The Company encouraged individuals to extend beyond their scope of work, undertake voluntary learning projects and respond with workplace creativity. The Company had 676 employees as of 31 March, 2022.

Internal control systems and their adequacy

The internal control and risk management system is structured and applied in accordance with the principles and criteria established in the corporate governance code of the organisation. It is an integral part of the general organisational structure of the Company and Group and involves a range of personnel who act in a coordinated manner while executing their respective responsibilities. The internal audit department submits its reports to the audit committee, supervised by the Board of Directors. The assets of the Company are periodically verified and subsequent reports are submitted to the Audit Committee. The Audit Committee and Board of Directors offer their guidance and strategic supervision to the Executive Directors and the top management along with monitoring and supporting other committees.

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 Sixth Annual Report along with the accounts for the year ended 31st March, 2022.

1. Financial Results

(Rupees in Millions)

Particulars	Standalone		Consolidated	
	For the year ended			
	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021
Income from Operations	820.67	1,559.32	5983.40	10,694.69
Other Income	114.79	331.09	149.52	2,235.75
Less: Expenditure	499.71	953.43	4861.57	8,780.19
Profit before Interest and Depreciation	435.75	936.98	1271.53	4,150.25
Less: Interest	793.28	815.11	10966.34	11,057.10
Less: Depreciation/Impairment	744.89	2,994.85	12375.90	13351.19
Profit/(Loss) for the year before Tax	(1102.41)	(2,872.98)	(22070.89)	(20,258.04)
Exceptional items (Profit/(Loss))	98.82	332.64	54.13	332.64
Profit/(Loss) before Tax	(1003.59)	(2,540.34)	(21529.76)	(19925.40)
Share of Profit/(Loss) of Associates	-	-	(11.02)	3.09
Current Tax	-	-	176.18	30.31
Deferred Tax	53.82	(227.32)	53.82	(227.32)
Profit/(Loss) after Tax for the year from continuing operations	(1057.40)	(2,313.02)	(21770.78)	(19,725.30)
Other comprehensive Income	-	-	(5126.49)	-
Profit/(Loss) for the year	(1057.40)	(2,313.02)	(21770.79)	(19,725.30)
Profit brought forward from the previous year	(28819.63)	(26,499.19)	(185430.80)	(165,697.94)
Available for appropriation	(29877.04)	(28,812.21)	(207201.59)	(1,85,423.24)
Net gain/(loss) through OCI	-	-	-	-
Expected return on plan assets & net actuarial gain/(Loss)	3.61	(7.42)	3.61	(7.56)
Transfer to Capital Redemption Reserve	-	-	-	-
Transfer to General Reserve	-	-	-	-
Balance Carried forward	**(29873.43)**	**(28,819.63)**	**(207198.04)**	**(1,85,430.80)**

2. Performance

The Revenue earned during the year under review stood at Rs.935.46 Million. Company suffered loss this year too due to steep fall in day rates as well as impairment of plant and machinery. Rigs under contract were working satisfactorily.

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

Rigs under Contract were performing satisfactorily.

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

Rigs DD1, DD3 and Aban VII owned by our step down subsidiary were sold and delivered during the last financial year ended 31st March, 2022.

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.

As per IND AS-108, if the revenue of an operating segment is less than 10 percent of the combined revenue of all operating segment then it is not mandatory for a company to report separately information about that segment. The revenue from Wind Energy division is less than 10 percent of the combined revenue of all operating segments. Hence the Company is not reporting its Wind Energy revenue as a separate segment in its financials.

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

The Board recommenced the re-appointment of Mr. Reji Abraham as Managing Director of the Company for a period of 5 years subject to the approval of shareholders.

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/mgt-7-2022.pdf

Number of Board Meetings:

The Board of Directors met 8 (Eight) times in the year 2021-22. 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 2022, 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 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 2022 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 Consolidated Financial Statement –. The disclaimer of opinion is on preparation of the financial statements on a going concern basis. The Management has considered the operations of the Group and the Company as going concerns notwithstanding that the Group and the Company has incurred net loss, has charged impairment loss on rigs of the Group and the Company, inventory write-down, 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 and have therefore 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, 2022 is still appropriate. The Company and Group have entered into binding sale and purchase agreements for the sale of some of the rigs and 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.

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 Board had approved the amendment to the policies on Related Party Transactions and Material Subsidiary. The Policies have been uploaded in the website, under the weblink: http://abanoffshore.com/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, 2022 and the date of the Report. However rigs Aban V and Aban VI were sold and delivered during the Current year.

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

The Board recommends the reappointment of Mr.Reji Abraham as Managing Director for a further period of five years effective 26.09.2022.

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

Aban Hydrocarbons Pte Limited ceased to be the associate of the Company

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 2022-23 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 2021-22 nor were any pending unresolved complaints as on 31st March, 2022.

29. **Auditors**

M/s. P.Murali & Co, Chartered Accountants, Chennai continue to hold office till the conclusion of this Annual General Meeting.

M/s. Ford Rhodes Parks & Co. LLP, Chartered Accountants, Chennai are being recommended for appointment as Statutory Auditors to hold office from the conclusion of this AGM 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. 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.

32. 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.
- DOL starters are being replaced by drives to save on energy usage.
- Energy efficient motors are being used when replacement is required.
- Low energy consuming LED systems are procured as replacements to CFL/Tube lights.
- Asset health monitoring and systems were put in place to extend lube oil service hours. This will enable reduce environmental burdens on deposal of waste oil.

(B) Technology Absorption

- Vibration and noise analysis being implemented to predict early warnings for equipment failures.
- Torsional vibration analysis being implemented on engine driven equipment.
- VFD drives are being used in place of traditional DOL starters.
- Advanced Corrosion prevention programs are implemented to minimize steel and piping deterioration.

Foreign exchange earnings and outgo

(Rupees in Millions)

	2021- 22	2020-21
Foreign exchange earned during the year	854.01	1,581.65
Foreign exchange outflow during the year	322.23	650.45

33. 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.

34. 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.

35. 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	**P.Murari**
Managing Director	Chairman

Place :Chennai

Date : May 26, 2022

ANNEXURE TO THE REPORT OF THE DIRECTORS

Statement as at 31st March 2022 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	11,13,770					
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	5,69,100					
k)	Details of Options granted to Senior managerial personnel	No options were granted during the year 2021-22					
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 (18.12)					
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 2021-22 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 - 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	0.00	0.00	-
2	P. Venkateswaran*	0.15	0.11	75.00
3	C.P. Gopalkrishnan	0.00	0.00	-
4	P. Murari *	0.19	0.13	36.36
5	K. Bharathan*	0.19	0.13	30.43
6	Ashok Kumar Rout*	0.18	0.13	56.76
7	Subhasini Chandran*	0.12	0.09	60.00
8	Deepa Reji Abraham*	0.11	0.08	16.67
9	S.N. Balaji	2.30	1.65	(3.16)

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

(iii) **The median remuneration for the year 2021-22 is -** Rs. 1.62 million**.**

(iv) **The percentage increase/(decrease) in the median remuneration of employees in the financial year is** 311.77**.**

(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
Date : May 26, 2022

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 2022.

Aban Offshore Limited

Place: Chennai
Reji Abraham

Date : May 26, 2022
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.(885.50) 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
Ashok Kumar Rout

Date : May 26, 2022
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 eight times during the year 2021 -22 on the following dates:

21.06.2021, 30.07.2021, 16.08.2021, 20.09.2021, 01.11.2021, 06.01.2022 09.02.2022 and **23.03.2022**

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, 2022 are set out below:

Name of Director(s)	Category Of Directorship	Financial year 2021-2022 Attendance at		As on 31st March 2022				
				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	8	YES	1		1	--	--
Reji Abraham	Executive – Promoter	8	YES	-		-	--	--
K. Bharathan	Non-Executive Independent	8	YES	1	Ponni Sugars (Erode) Ltd	--	--	--
Ashok Kumar Rout	Non-Executive Independent	8	YES	--		--	--	--
P. Venkateswaran	Non-Executive Non Independent	7	YES	3		5	--	--
C.P. Gopalkrishnan	Executive Non Promoter	7	YES	1		3	--	--
Deepa Reji Abraham	Non-Executive Promoter	7	YES	2		6	--	--
Subhashini Chandran	Non-Executive Independent	7	YES	--		1	--	--

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.

Mr.Reji Abraham is recommended for re-appointment as Managing Director for a period of five years. The Director who will retire by rotation and offer himself for reappointment is Mr. P.Venkateswaran.

Name of Director	**Reji Abraham**	**P.Venkateswaran**
Date of Birth	23.03.1966	12.02.1951
Nationality	Indian	Indian
Date of Appointment on Board	09.02.1994	01.08.2001
Qualifications	BE, PG in Management Studies	B Tech, IIT Madras
Shareholding in the Company	56,27,840 equity shares	20,805
Experience	He is the Promoter of the Company. He has got more than three decades of experience in drilling industry.	He has more than 4 decades of experience in drilling industry.
Directorships held in other Companies	Nil	Aban Energies Ltd Aban Green Power Private Limited Aban Power Limited Aban Marketing & Exports Pvt Litd Aban Ventures Pvt Ltd Pathanamthitta Estates Pvt Ltd Perunad Plantations Ltd Radhapuram Wintech 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	-	-	-	3,00,000	3,00,000
K Bharathan	-	-	-	3,10,000	3,10,000
Reji Abraham	-	-	-	-	-
Ashok Kumar Rout	-	-	-	3,00,000	3,00,000
P Venkateswaran	-	-	-	2,45,000	2,45,000
C P Gopalkrishnan	-	-	-	-	-
Deepa Reji Abraham	-	-	-	1,75,000	1,75,000
Subhashini Chandran	-	-	-	1,75,000	1,75,000
Total	-	-	-	**15,05,000**	**15,05,000**

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 2021-22.

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. P.Murari 2. K.Bharathan 3. Ashok Kumar Rout 4. 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. Deepa Reji Abraham 2. P.Venkateswaran	• In-depth industry Knowledge • General Administration • Corporate Governance • Human Resources Management	• General Administration • Human Resources Management
Executive Directors 1. Reji Abraham 2. 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 23rd March, 2022 during the year. Mrs.Subhashini Chandran did not attend the meeting. 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/FamiliarisationProgram2022.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

Seven (7) Meetings of Audit Committee were held during the year ended 31st March 2022 on the following dates:

21.06.2021, 30.07.2021, 16.08.2021, 01.11.2021, 06.01.2022, 09.02.2022 and 23.03.2022.

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	7
K. Bharathan	Member	7
P.Venkateswaran	Member	6
Ashok Kumar Rout	Member	7

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

B. STAKEHOLDERS RELATIONSHIP COMMITTEE

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

The Committee met on 09.02.2022

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 Complaints during the year from shareholders of which all were answered and resolved, hence no complaints 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 31 st March 2021: 1.843 million equity shares of INR 2/- each). Options lapsed during the year – 0.397 million equity shares of INR 2/- each (upto 31 st March 2021: 0.717 million equity shares of INR 2/- each). Options exercised during the year: Nil (upto 31 st March 2021: 0.160 million equity shares of INR 2/- each). Options outstanding at the end of the year: 0.569 million equity shares of INR 2/- each (upto 31st March 2021: 0.966 million equity shares of INR 2/- each). Options yet to be granted under the scheme: Nil equity shares of INR 2/- each (31 st March 2021: 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 on 21-06-2021 and 09-02-2022

Board evaluation was made in the meeting held on 09-02-2022

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

As the average profit of the Company for the last three financial years as calculated under section 198 of the Companies Act, 2013 is Negative, there was no need for the Company to have a meeting. Hence no meeting was held during the year.

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 / Extra ordinary General Meeting/ Postal Ballot	Day and Date	Time	Venue	No. of Special Resolutions Passed
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	-
33rd Annual General Meeting	Monday, 09.09.2019	10.15 A.M	The Music Academy, Kasturi Srinivasan Hall (Mini Hall), New No.168, T.T.K. Road, Royapettah, Chennai 600 014	Six

Annual General Meeting / Extra ordinary General Meeting/ Postal Ballot	Day and Date	Time	Venue	No. of Special Resolutions Passed
Extra-Ordinary General Meeting	Monday, 31.01.2022	10.15 A.M	Through Video Conference/Other Audio Visual Means	One
Postal Ballot	Monday, 24.04.2022	-	-	Five
Proposed Postal Ballot	Friday, 01.07.2022	-	-	One

Postal Ballot – 24.04.2022

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 Rigs of step down subsidiaries. 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 Saturday, 26th March, 2022 at 9.00 a.m. (IST) and ended on Sunday, 24th April, 2022 at 5.00 p.m. (IST). The cut-off date, for the purpose of determining the number of Members was Friday, 18th March, 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 26th April, 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 2 owned by Step Down Subsidiary Deep Drilling 2 Pte Ltd	99.77	0.23
2	Sale of Rig Deep Driller 4 owned by Step Down Subsidiary Deep Drilling 4 Pte Ltd	99.78	0.22
3	Sale of Rig Deep Driller 5 owned by Step Down Subsidiary Deep Drilling 5 Pte Ltd	99.77	0.23
4	Sale of Rig Deep Driller 6 owned by Step Down Subsidiary Deep Drilling 6 Pte Ltd	99.77	0.23
5	Sale of Rig Deep Driller 8 owned by Step Down Subsidiary Deep Drilling 8 Pte Ltd	99.78	0.22

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://abanoffshore.com/RelatedPartyTransactionsPolicy.pdf

Fees paid to M/s. P Murali & Co, Chartered Accountants , Statutory Auditors for all services

S.No	Total Fees paid (in lakhs)
1	73,05,000

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 2021 to 31st March 2022
Board meeting for considering the accounts	26-05-2022
Thirty Sixth Annual General Meeting	26th September, 2022 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 2022-23 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% Non-Convertible Cumulative Redeemable Preference shares
INE421A04071
ISIN No of 4,00,00,000 - 10% 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% 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	611	224610
2	No. of shareholders who approached for transfer of shares from Unclaimed suspense account during the year.	3	880
3	No. of shareholders to whom Shares were transferred from the unclaimed suspense account during the year.	542	197695
4	No. of shareholders and Outstanding shares lying in the unclaimed suspense account at the end of the year.	66	26035

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 uncla imed 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 2,24,326 shares unclaimed for the year 2013-14 were transferred to IEPF as on 25-12-2021

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	**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

99.59 % of Equity shares of the Company have been dematerialized as at 31st March, 2022. 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, 2022

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.	Aban V	Middle East of India - Off Contract
3.	Aban VI	Middle East of India - Off Contract
4.	Tahara	East Coast of India - Off Contract
5.	Aban Ice	West 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 2022

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	1490	1278591	2.19
Mutual Funds, FIs, Banks	6	50022	0.086
Bodies Corporate	420	736739	1.262
Public	116590	29453811	50.46
Total	**118512**	**58365323**	**100.00**

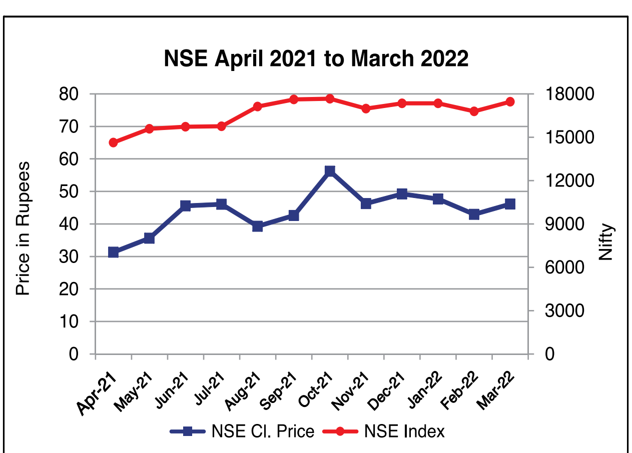
Share Price Volume

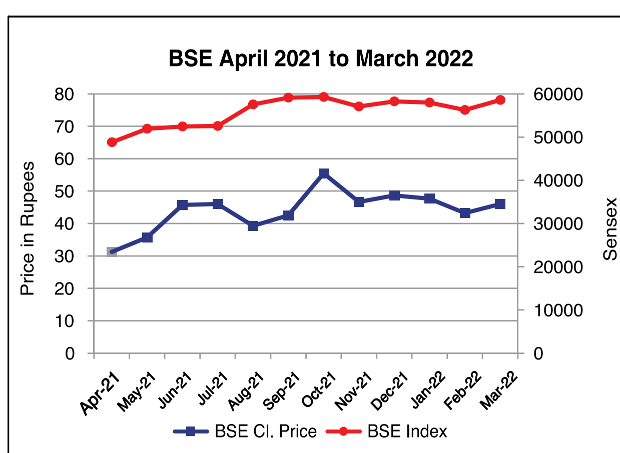
The monthly high and low quotation and the volume of shares traded on BSE & NSE are as under:

Month	NSE			BSE		
	High	Low	Volume	High	Low	Volume
April 2021	34.50	28.10	1591906	34.55	57.95	357926
May 2021	39.20	30.60	4107117	38.90	30.05	746444
June 2021	52.50	35.10	7307299	52.60	35.10	1680488
July 2021	51.35	40.50	3164016	51.25	40.40	1026983
August 2021	50.25	37.00	3097870	50.15	37.35	645764
September 2021	47.30	38.35	4554003	47.50	38.50	922557
October 2021	69.45	42.20	16199096	74.90	42.20	2905710
November 2021	58.40	46.05	1482730	58.70	45.20	305768
December 2021	53.50	44.35	1370783	53.50	44.60	282978
January 2022	54.45	44.85	3856614	54.40	44.95	735574
February 2022	59.75	41.00	5052762	59.50	41.20	754570
March 2022	55.80	43.00	4719958	55.60	42.20	770798

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 2021	31.25	48782	31.30	14631
May 2021	35.70	51937	35.65	15582
June 2021	45.75	52482	45.55	15721
July 2021	46.05	52586	46.05	15763
August 2021	39.30	57552	39.25	17132
September 2021	42.50	59126	42.60	17618
October 2021	55.45	59306	56.20	17671
November 2021	46.70	57064	46.30	16983
December 2021	48.65	58253	49.20	17354
January 2022	47.70	58014	47.70	17339
February 2022	43.20	56247	42.95	16793
March 2022	46.05	58568	46.15	17464





Distribution of shareholdings as on 31st March 2022

Category (Shares)	Folio		Shares	
	Numbers	%	Numbers	%
2-5000	116971	98.70	19384797	33.21
5001-10000	996	0.84	3632926	6.22
10001-20000	361	0.30	2611234	4.47
20001-30000	75	0.06	916474	1.57
30001-40000	34	0.03	603576	1.03
40001-50000	10	0.01	225770	0.39
50001-100000	42	0.04	1504628	2.58
100001 and above	23	0.02	29485918	50.52
Total	**118512**	**100.00**	**58365323**	**100.00**

ANNEXURE F

Auditor's Certificate on compliance of Corporate Governance

To the Members of Aban Offshore Limited

We have examined the compliance of Corporate Governance by Aban Offshore Limited, for the year ended on 31st March 2022, 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 Management. Our examination was limited to review of procedures and implementation thereof, adopted by the company, for ensuring the compliance of conditions of Corporate Governance as prescribed in the above mentioned Listing Regulations. It is neither an audit nor expression of opinion on 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 representations made by the management of company, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We further certify that such compliance is neither an assurance to future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For P.Murali & Co
Chartered Accountants
Firm Registration No: 007257S

A Krishna Rao
Partner
Membership No. 020085
UDIN: 22020085ALIMWM1169

Date: 26-05-2022
Place: Chennai

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, 2022, 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 Chandran	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: 26th May, 2022
UDIN: F009687D000387944

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022

[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 and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022 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, 2022 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) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; and

We have also examined compliance with the applicable clauses of the following:

  (i) 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 to schedule the Board 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.

Majority decision is carried through while the dissenting members' views are captured 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 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 2,24,326 unclaimed equity shares of Rs.2/- each, pertaining to the Financial Year 2013-14, to the Investor Education and Protection Fund on 25th December, 2021.
4. The Company has obtained the consent of its shareholders, by way of special resolution, for sale of an asset of step down subsidiary, at an Extraordinary General Meeting held on 31st January, 2022. Further through Postal Ballot notice dated 23rd March, 2022 Company sought approval for sale of assets of step down subsidiaries as required under Section 180(1)(a) of the Companies Act, 2013 and regulation 24 of SEBI LODR and the same was approved on 25 April, 2022.
5. One of the financial creditors has filed an application under Section 7 of Insolvency & Bankruptcy Code, before the Honorable National Company Law Tribunal, Chennai for the default committed in the repayment of credit facilities availed aggregating to Rs.190.30 Crores. The outcome of the case is awaited.
6. 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.
7. 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

For M/s. G Ramachandran & Associates
Company Secretaries

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

Place: Chennai
Date: 26th May, 2022
UDIN: F009687D000387781

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.

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

Our Report of even date is to be read along with this letter.

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: 26th May, 2022
UDIN: F009687D000387781

SECRETARIAL COMPLIANCE REPORT OF
M/S. ABAN OFFSHORE LIMITED
FOR THE YEAR ENDED 31ST MARCH, 2022
[Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular CIR/CFD/CMD1/27/2019 dated February 08, 2019]

1. We have examined:

   (a) all the documents and records made available to us and explanation provided by M/s. ABAN OFFSHORE LIMITED ("the listed entity"),

   (b) the filings/ submissions made by the listed entity to the stock exchanges,

   (c) website of the listed entity,

   (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended 31st March, 2022 ("Review Period") in respect of compliance with the provisions of:

      (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

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

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

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

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

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

   (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the listed entity during the review period)

   (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

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

   (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 with effect from 16th August 2021

   and circulars / guidelines issued thereunder; and based on the above examination, we hereby report that, during the Review Period:

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

S. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Nil	Nil	Nil

   (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from our examination of those records.

(c) No action was taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder.

(d) There were no observations made in the previous report, hence reporting on actions to comply with the observations made in previous reports does not arise.

(e) The reporting of clause 6(A) and 6(B) of the circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019 issued by the Securities and Exchange Board of India on "Resignation of statutory auditors from listed entities and their material subsidiaries" is not applicable during the Review Period.

For M/s. G Ramachandran & Associates
Company Secretaries

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

Place: Chennai
Date: 26th May, 2022
UDIN: F009687D000387823

INDEPENDENT AUDITOR'S REPORT

To the Members of

ABAN OFFSHORE LIMITED

Report on the Ind AS Standalone Financial Statements

I. Opinion

We have audited the accompanying Ind AS Standalone Financial Statements of Aban Offshore Limited ("the company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of changes in equity 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, 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, 2022, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

II. Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, 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 opinion on the standalone financial statements.

III. Material uncertainty related to going Concern

We draw attention to Note - 41 to the Standalone financial statements - "the Company" has accumulated losses on account of which the net worth is eroded and also, current liabilities exceeded current assets and the company has defaulted in respect of installments and payment of interest on term loans, these indicate that material uncertainty exists that may cast a 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 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.

IV. Emphasis of Matter Paragraph

i. As disclosed in Note-42 to the Standalone financial statements " COVID -19 " – the Company faced operational disruptions on some of the offshore rigs during the year 2021-22 and operations were restored within reasonable time with no significant impact on the financial performance. The Management believes that it has taken into account all the possible impact of the COVID-19 pandemic in preparation of the financial statements. The Management believes that the pandemic is not expected to have any significant impact on the financial performance and operating environment of the Company in financial year 2022-23.

Our opinion is not modified in respect of this matter.

V. Key Audit Matters

Key audit matters are those matter s that, in our professional judgment, were of most significance 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.

We have determined the matters described below to be the key audit matters to be communicated in our report.

I. Impairment of Property, Plant and equipment (PPE): Refer note – 3 (a) to the Ind AS Standalone Financial statements - an impairment charge of Rs.164.45 million has been recognized for the year 2021-22 in respect of Jack up rigs, Drillship and Assets Held for Sale.

II. Impairment of Trade Receivables: As Disclosed in Note - 20 to the Standalone financial statements, during the year the company has charged an impairment of Trade Receivables of Rs.82.85 million.

III. Write Down of Inventory: As Disclosed in Note - 6 to the Standalone financial statements, during the year the company has charged a Write down of Inventory of Rs.92.32 million.

IV. Reclassification of Property, Plant & Equipment (PPE) to Non-Current Assets Held for sale: Refer note – 3 (b) to the Ind AS Standalone Financial statements the company has reclassified PPE of Rs.660.76 million as Non - Current Assets held for sale as at 31st March 2022.

V. Evaluation of uncertain Tax Positions: The company has material uncertain tax positions including matters under dispute as disclosed in contingent liabilities (Refer note no - 30 “Note on Contingent Liabilities“), which involves significant judgement to determine the possible outcome of these disputes.

VI. Going Concern Aspect: There is erosion in the net worth of the company, Current liabilities exceeded current assets and the company has defaulted in payment of dues to lenders, all these indicate a material uncertainty existing that may cast a significant doubt on the company’s ability to continue as a going concern.

How our audit addressed the key audit matters

Our procedures included, but were not limited to the following:

I. Calculation of impairment of PPE has been done by management and not by external expert agency: obtained an understanding of management’s process and evaluated design and tested operating effectiveness of control’s around identification of indicators of impairment under Ind AS. Assessed the appropriateness of methodology and valuation model used by the management to estimate the recoverable value of assets. Assessed the reasonableness of assumptions relating to revenue growth rate, gross margins, discount rates etc., based on historical results, current developments and future plans of business estimated by management. Accordingly brought the carrying amount of such assets to its estimated value in use which is mainly due to slump in the oil and gas industry.

II. The management has done an internal assessment of trade receivables and made an Impairment as per Ind AS in case of certain receivables, the possibility of recovery in case of which appear to be remote as at the balance sheet date.

III. The management has Written down the Inventory on board the Assets Held for Sale in order to bring the Carrying value to its net realizable value.

IV. The management has explained that idle rigs of the company have been identified for sale and the proceeds of the same would be utilized to service the outstanding debt to the consortium of lenders. The sale is probable within one year from the date of reclassification of PPE as Non- Current Assets held for sale - based on the information and explanations given by management, we have obtained an understanding on this process and satisfied that the reclassification is in conformity with Ind AS.

V. We have obtained from the management the details of present status of completed/ pending disputes, and taken into consideration the effect of these in respect of uncertain tax provisions to evaluate the uncertainties as at the year end.

VI. We have considered the representation made by the management and the available information thereon in this regard, that the company's dues to banks in respect of cash credits have been discharged pursuant to One Time Settlement Agreements made and as regards its dues in respect of term loans, the management is in discussion with its lenders to obtain approval for and implementation of appropriate debt resolution plans and also that the company will continue in operation in the foreseeable future.

VI. Information Other than the Standalone Financial Statements and Auditor's 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 Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report hereon.
- Our opinion on the standalone 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 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 during the course of our 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.

VII. 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 standalone financial statements that give a true and fair view of the financial position, financial performance, total 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 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 statements that give a true and fair view and are 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 are also responsible for overseeing the Company's financial reporting process.

VIII. 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 the 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 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 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.

Materiality is the magnitude of misstatements in the standalone 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 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 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.

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 Section 143(3) of the Act, based on our audit 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.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   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 given to us, during the year, the company has not paid/provided managerial remuneration.

2) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

   a) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

   b) The Company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

   c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

   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 company 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 company ("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 company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company 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 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 Company has not declared or paid any Dividend during the year.

For P. Murali & Co.,
Chartered Accountants
Firm Registration No: 007257S

A Krishna Rao
Partner
Membership No.020085
UDIN: 22020085AKTPSI6978

Date: 26.05.2022
Place: Chennai

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to "Report on Other Legal and Regulatory Requirements" section of our report to the Members of **ABAN OFFSHORE LIMITED** of even date)

I. In respect of the Company's Property, plant and equipment:

a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and in respect of assets held for sale.

(ii) The Company does not have any Intangible Assets.

b) The Company has regular programme of physical verification of Property Plant & 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 physical discrepancies were noticed on such physical verification.

The Company holds certain Property, Plant and Equipment as Non Current Assets held for Sale.

c) According to the information and explanations given to us and on verification of documents provided to us, we are of the opinion that, the title deeds immovable properties are in the name of the Company.

d) During the year, the Company made Impairment of Rs.164.45 Million in respect of its Property, Plant & Equipment and Non Current Assets Held for Sale.

e) According to the information and explanations given to us and on the basis of our examination of records of the company, there are no proceedings initiated during the year or are pending against the company as at 31st March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act 1988 (45 of 1988) and rules made thereunder.

II. In respect of the Company's Inventory:

a) As informed to us and in our opinion the inventories have been physically verified during the year by the Management at reasonable intervals and as explained to us there were no material discrepancies noticed on verification between the physical stocks and the book records.

The Company has written down Rs.92.32 Million in case of those inventories held on board the certain Property, Plant and Equipment held for sale, to bring its carrying value to its net realizable value.

b) The Company has not been sanctioned working capital limits in excess of Rs.5 Crore, in Aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and no quarterly returns or statements are filed by the company.

III. (a) During the year the Company has not made investments in, provided any guarantee or security or granted any loans or advances, Secured or unsecured to Companies, Firms, Limited Liability Partnerships or other Parties.

(b) As, during the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances, Secured or unsecured to Companies, Firms, Limited Liability Partnerships or other Parties, whether terms and conditions are prejudicial to the company's interest do not arise.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. However, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the company, there is no overdue amount for more than ninety days in respect of loan given. However, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the company, there is no loan falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of the existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

IV. The company has provided guarantees and invested in its wholly owned foreign subsidiary, Indian subsidiary and the company has also invested in other companies during the previous years. Based on the information and explanations given to us and as per the records examined, we are of the opinion that the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 where ever applicable with respect to 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 section 73 to 76 or any other relevant provisions of "the Act" the Rules framed there under are not applicable to the Company at present.

VI. The maintenance of cost records has not been specified by the Central Government under section 148(1) of "the Act" for the business activities carried out by the Company.

VII. According to the information and explanations given to us, in respect of statutory dues:

a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty and other material statutory dues applicable to it with the appropriate authorities.

b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2022 on account of dispute are given below:

i. In respect of Income tax matters:

Name of the Statute	Nature of dispute	Disputed demand in Rs in millions	Period to which the amount relates	Forum where dispute is pending
Income Tax Act 1961	Regular Assessment	628.25	2002-2006	Honorable High Court of Madras
Income Tax Act 1961	Regular Assessment	719.68	2006-2008	Honorable High Court of Madras
Income Tax Act 1961	Regular Assessment	371.30	2008-2009	Honorable High Court of Madras
Income Tax Act 1961	Regular Assessment	195.32	2009-2010	Honorable High Court of Madras
Income Tax Act 1961	Regular Assessment	702.40	2009-2010	Commissioner of Income Tax
Income Tax Act 1961	Regular Assessment	1117.10	2010-2011	Honorable High Court of Madras
Income Tax Act 1961	Regular Assessment	298.88	2010-2011	Income Tax Appellate Tribunal, Chennai
Income Tax Act 1961	Regular Assessment	854.33	2011-2012	Honorable High Court of Madras
Income Tax Act 1961	Regular Assessment	2571.59	2012-2014	Income Tax Appellate Tribunal, Chennai
Income Tax Act 1961	Regular Assessment	29.64	2013-2014	Commissioner of Income Tax (Appeals)
Income Tax Act 1961	Regular Assessment	846.82	2014-2015	Income Tax Appellate Tribunal, Chennai
Income Tax Act 1961	Regular Assessment	2.59	2014-2015	Commissioner of Income Tax (Appeals)
Income Tax Act 1961	Regular Assessment	541.92	2015-16	Income Tax Appellate Tribunal, Chennai
Income Tax Act 1961	Regular Assessment	8.93	2016-17	Income Tax Appellate Tribunal, Chennai
Income Tax Act 1961	Regular Assessment	1.20	2018-19	Commissioner of Income Tax, Chennai

ii. In respect of Service Tax matters :

Name of the Statute	Nature of dispute	Disputed demand in Rs in millions	Period to which the amount relates	Forum where dispute is pending
Finance Act 1994 (Service Tax dues)	Regular Assessment	78.73	2006-2011	CESTAT, Chennai
Finance Act 1994 (Service Tax dues)	Regular Assessment	18.94	2011-2012	CESTAT, Chennai
Finance Act 1994 (Service Tax dues)	Regular Assessment	46.76	2006-2007	Honorable Supreme Court.
Finance Act 1994 (Service Tax dues)	Regular Assessment	36.78	2012-2014	CESTAT, Chennai
Finance Act 1994 (Service Tax dues)	Regular Assessment	79.80	2014-2015	CESTAT, Chennai
Finance Act 1994 (Service Tax dues)	Regular Assessment	37.31	2005-2011	CESTAT, Chennai
Finance Act 1994 (Service Tax dues)	Regular Assessment	236.49	2012-2014	CESTAT, Chennai
Finance Act 1994 (Service Tax dues)	Regular Assessment	.60	2015-2016	CESTAT, Chennai
Finance Act 1994 (Service Tax dues)	Regular Assessment	223.02	2015-2017	CESTAT, Chennai
Finance Act 1994 (Service Tax dues)	Regular Assessment	605.75	2008-2010	CESTAT, Mumbai
Finance Act 1994 (Service Tax dues)	Regular Assessment	166.89	2009-2012	CESTAT, Mumbai
Finance Act 1994 (Service Tax dues)	Regular Assessment	6.31	2013-2015	CESTAT, Mumbai
Finance Act 1994 (Service Tax dues)	Regular Assessment	495.92	2009-2016	Honorable High Court, Bombay
Finance Act 1994 (Service Tax dues)	Regular Assessment	49.96	2017-18	CESTAT, Chennai

iii. In respect of Goods and Service Tax matters :

Name of the Statute	Nature of dispute	Disputed demand in Rs in millions	Period to which the amount relates	Forum where dispute is pending
Goods & Services Tax Act, 2017	Regular Assessment	13.92	2017-18	Deputy Commissioners of State tax

iv. In respect of Customs Duty matters :

Name of the Statute	Nature of dispute	Disputed demand in Rs in millions	Period to which the amount relates	Forum where dispute is pending
Customs Act 1962	Regular Assessment	107.90	2015-2016	CESTAT, Mumbai

v. In respect of value Added Tax / Sales Tax matters :

Name of the Statute	Nature of dispute	Disputed demand in Rs in millions	Period to which the amount relates	Forum where dispute is pending
Maharashtra value Added Tax	Regular Assessment	984.91	2010-2011	Tribunal
Maharashtra value Added Tax	Regular Assessment	459.75	2012-2013	Tribunal
Maharashtra value Added Tax	Regular Assessment	587.29	2013-2014	Appellate Authority
Maharashtra value Added Tax	Regular Assessment	667.03	2014-2015	Hon'ble Bombay High Court
Maharashtra value Added Tax	Regular Assessment	949.23	2015-2016	Hon'ble Bombay High Court
Maharashtra value Added Tax	Regular Assessment	846.00	2016-17	Hon'ble Bombay High Court
Maharashtra value Added Tax	Regular Assessment	155.68	2017-18	Hon'ble Bombay High Court

v. In respect of civil suits against the company Rs.94.50 Million.

vii. In respect of admiralty suit against the company Rs.287.23 Million.

VIII. According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961(43 of 1961) as income during the year.

IX. (a) Based on our audit procedures and according to the information and explanations given to us, we have noted default in repayment of term loan installments and payment of interest to banks during the year. The unpaid overdue loan installments and interest as at 31st March 2022 are as given below:

Description of Borrowings	Name of the Lender	Amount Unpaid on the Due Date (in Rs. Million)	Whether Interest or Principal	Number of Days of Delay or Unpaid
USD Loan Account	Punjab National Bank	3430.99	Principal	Feb 2017 to March 2022
USD Loan Account	Punjab National Bank	1414.05	Interest	Feb 2017 to March 2022
Term Loan	Central Bank of India	1163.87	Principal	March 2017 to March 2022
Term Loan	Central Bank of India	924.53	Interest	March 2017 to March 2022
Medium Term Loan	Indusind Bank	191.92	Principal	May 2017 to March 2022
Medium Term Loan	Indusind Bank	46.55	Interest	May 2017 to March 2022

The banks have issued notices recalling the dues. As such, the company has classified the dues under term loans from Non-current Liability to current liability – refer note no 8(a) to the Standalone Financial Statements.

The Company has no dues to Government during the year and has no dues to financial institutions and does not have any debentures.

(b) According to the information and explanations given to us and on the basis of our examination of records, the company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the company has not obtained any term loans during the year.

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that no funds raised on short term basis have been used for long term purposes by the Company.

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

(f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

X. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures during the year.

XI. (a) Based on examination of books and records of the Company and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in form ADT- 4 as prescribed under rule 13 of the companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

XII. The Company is not a Nidhi Company as per section 406 of “the Act”.

XIII. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Note - 29 to standalone financial statements as required by the applicable accounting standards.

XIV.(a) In our opinion and based on our examination, the company has an adequate internal audit system 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 given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act 2013 are not applicable to the Company.

XVI.(a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, Clause 3(XVI) (a) of the Order is not applicable.

(b) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, Clause 3(XVI) (b) of the Order is not applicable.

(c) The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Accordingly, Clause 3(XVI) (c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, Clause 3(XVI) (d) of the Order is not applicable.

XVII. The Company has incurred Cash losses in the current financial year and in the immediately preceding financial year amounting to Rs.124.12 Million and Rs.661.14 Million respectively.

XVIII. There has been no resignation of the statutory auditors of the Company during the Year.

XIX. On basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, material uncertainty exist as on the date of the audit report that whether the company is capable of meeting its liabilities existing as on the date of balance sheet as and when they fall due within a period of one year from the balance sheet date, which depend on the outcome of the management plans on the discussions with its lenders to obtain approval for and implementation of appropriate debt resolution plan.

XX. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, Clauses 3 (XX)(a) and 3(XX)(b) of the order are not Applicable.

XXI. In Case of the wholly owned foreign subsidiary – “Aban Holdings Pte Ltd, Singapore and its subsidiary corporations” whose financial information have been audited by other auditors “Nexia TS Public Accounting Corporation, Public accountants and Chartered Accountants, Singapore” have expressed Disclaimer Opinion on the financial information for the financial period from 1st April, 2021 to 31st March, 2022.

For P. Murali & Co.,
Chartered Accountants
Firm Registration No: 007257S

A Krishna Rao
Partner
Membership No.020085
UDIN: 22020085AKTPSI6978

Date: 26.05.2022
Place: Chennai

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of ABAN OFFSHORE LIMITED of even date)

Report on the Internal Financial Controls over Financial Reporting 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 financial reporting of **ABAN OFFSHORE LIMITED ("the Company")** as of March 31, 2022 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 Board of Directors of the Company 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 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 internal financial controls over financial reporting of the Company 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 Section143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 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 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 of the Company.

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 e of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the 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.

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 March 31, 2022, based on the criteria for internal control over financial reporting 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 P. Murali & Co.,
Chartered Accountants
Firm Registration No: 007257S

A Krishna Rao
Partner
Membership No.020085
UDIN: 22020085AKTPSI6978

Date: 26.05.2022
Place: Chennai

Balance Sheet As at 31st March 2022

Particulars	Notes	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs. millions
ASSETS			
Non-Current Assets			
Property,Plant and Equipment	3(a)	1,273.03	1,729.35
Non-current Assets held for sale	3(b)	660.76	766.27
Financial Assets			
(i) Investments	4(a)	128.55	128.55
(ii) Loans	4(c)	294.39	299.90
(iii) Other financial assets	4(f)	198.37	197.77
Deferred Tax Assets	10	579.37	633.19
Total-Non-current assets		**3,134.47**	**3,755.03**
Current assets			
Inventories	6	729.05	889.86
Financial Assets			
(ii) Trade receivables	4(b)	3,110.31	3,333.42
(ii) Cash and cash equivalents	4(d)	13.77	17.91
(iii) Other Bank balances	4(e)	14.58	18.23
(iv) Loans	4(c)	527.23	625.56
(v) Other financial assets	4(f)	935.73	918.46
Other current assets	5	24.45	10.15
Total-current assets		**5,355.12**	**5,813.59**
Total- Assets		**8,489.59**	**9,568.62**
EQUITY AND LIABILITIES			
Equity			
(i) Equity Share Capital	7 (a)	116.73	116.73
(ii) Other Equity	7 (b)	(7,765.41)	(6,711.61)
Total-Equity		**(7,648.68)**	**(6,594.88)**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Employee benefit obligations	9	-	9.95
Total-Non-Current Liabilities		**-**	**9.95**
Current liabilities			
Financial Liabilities			
(i) Borrowings	8(b)	-	123.42
(ii) Trade payables			
a) Dues of Micro and Small Enterprises		-	-
b) Total Outstanding dues of other Creditors	11	3,015.66	3,574.38
(iii) Other financial liabilities	8(c)	12,612.57	11,690.00
Employee benefit obligations	9	0.33	4.61
Other current liabilities	12	509.72	761.14
Total-Current Liabilities		**16,138.28**	**16,153.55**
Total-Liabilities		**16,138.27**	**16,163.50**
Total-Equity and Liabilities		**8,489.59**	**9,568.62**
Summary of significant accounting policies	2.1		

The accompanying notes 1 to 44 are an integral part of the financial statements

As per our report of even date
For P. Murali & Co
Chartered Accountants
ICAI-Registration No.007257S

For and on behalf of the Board

A Krishna Rao
Partner
Membership No.020085

Reji Abraham
Managing Director

P.Venkateswaran
Director

Place: Chennai
Date: 26 May, 2022

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 2022

Particulars	Notes	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs. millions
Continuing Operations			
Income			
Revenue from operations	13	820.67	1,559.32
Other income	14	141.88	331.09
Total Income		**962.55**	**1,890.41**
Expenses			
Consumption of stores,spares,power and fuel	15	27.45	142.42
Employee benefits expense	16	106.92	293.40
Finance Costs	17	793.28	815.11
Depreciation and amortization expense	18	405.26	607.91
Impairment loss / Write Off of Receivables	20	82.85	1,223.53
Impairment loss of property, plant and equipment / Asset held for Sale	19	164.45	1,163.41
Inventory Write Down		92.32	-
Other expenses	21	392.43	517.61
Total expenses		**2,064.96**	**4,763.39**
Profit before exceptional items and tax		**(1,102.41)**	**(2,872.98)**
Exceptional items [Profit / (Loss)]	38	98.82	332.64
Profit before tax		**(1,003.59)**	**(2,540.34)**
Tax expense			
Current tax		-	-
Deferred tax		53.82	(227.32)
Total tax expense		**53.82**	**(227.32)**
Profit for the year from continuing operations		(1,057.41)	(2,313.02)
Discontinued Operations			
Profit before tax from discontinued operations		-	-
Tax income/(expense) of discontinued operations		-	-
Profit for the year from discontinued operations		-	-
Profit for the year		**(1,057.41)**	**(2,313.02)**
Other Comprehensive Income			
Items that will be reclassified to profit or loss			
Net gain/(loss) on fair value through other comprehensive income-Non current investments		-	-
Expected return on Plan assets & Net Actuarial gain/(loss) recognised during the year-Employee benefit		3.61	(7.42)
Total Comprehensive Income for the year		**(1,053.79)**	**(2,320.44)**
Earnings per equity share for continuing operations			
Basic		(18.12)	(39.63)
Diluted		(18.12)	(39.63)
Earnings per equity share for discontinued operations			
Basic		-	-
Diluted		-	-
Earnings per equity share for continuing and discontinued operations			
Basic		(18.12)	(39.63)
Diluted		(18.12)	(39.63)
Summary of significant accounting policies	2.1		

The accompanying notes 1 to 44 are an integral part of the financial statements

As per our report of even date
For P. Murali & Co
Chartered Accountants
ICAI-Registration No.007257S

For and on behalf of the Board

A Krishna Rao
Partner
Membership No.020085

Reji Abraham
Managing Director

P.Venkateswaran
Director

Place: Chennai
Date: 26 May, 2022

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

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

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Statement of Changes in Equity for the year ended 31st March 2022 and 2021

A. Equity Share Capital

	Rs.millions
As at 1st April 2020	**116.73**
Changes in equity share capital	-
As at 31st March 2021	**116.73**
Changes in equity share capital	-
As at 31st March 2022	**116.73**

B. Other Equity

	Money received against share warrants	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 2020	-	0.03	17,765.80	52.40	2,810.00	1,479.79	(26,527.35)	(0.55)	28.71	(4,391.17)
Profit for the year	-	-	-	-	-	-	(2,313.02)	-	-	(2,313.02)
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	(7.42)	(7.42)
Dividends	-	-	-	-	-	-	-	-	-	-
Transfer to Capital redemption reserve	-	-	-	-	-	-	-	-	-	-
Any other change-allotment against share warrants	-	-	-	-	-	-	-	-	-	-
Balance at 31st March 2021	**-**	**0.03**	**17,765.80**	**52.40**	**2,810.00**	**1,479.79**	**(28,840.37)**	**(0.55)**	**21.29**	**(6,711.61)**

	Money received against share warrants	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	(6,711.60)
Profit 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 (to be specified)	-	-	-	-	-	-	-	-	-	-
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)**

As per our report of even date
For P. Murali & Co
Chartered Accountants
ICAI-Registration No.007257S

A Krishna Rao
Partner
Membership No.020085

Place: Chennai
Date: 26 May, 2022

For and on behalf of the Board

Reji Abraham
Managing Director

P.Venkateswaran
Director

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 2022

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs. millions
Cash Flow from operating activities		
Profit/(Loss) before tax	**(1,003.59)**	**(2,540.34)**
Non cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization	405.26	607.91
Impairment on tangible assets	164.45	1,163.41
Loss/(profit) on sale of fixed assets	(2.09)	(0.13)
Provision for Employee Benefits	3.15	3.46
Excess Provision Reversed	(27.09)	(212.06)
Unrealized foreign exchange (gain)/loss	126.82	60.83
Interest expenses	793.28	815.11
Interest Income	(0.91)	(1.38)
Impairment Loss / Write off of Bad Debts	82.85	1,223.53
Bank working capital Loan Waiver	(98.82)	(332.64)
Operating profit before working capital changes	**443.31**	**787.70**
Movements in working capital:		
Increase/(Decrease) in trade payables	(555.47)	(642.38)
Increase/(Decrease) in other current liabilites	(70.82)	865.83
Decrease/(Increase) in trade receivables	184.28	314.28
Decrease/(Increase) in inventories	68.49	46.58
Decrease/(Increase) in long term loans and advances	4.91	4.96
Decrease/(Increase) in short term loans and advances	97.96	(320.21)
Cash generated from operations	172.65	1,056.76
Direct taxes paid (net of refunds)	24.57	(41.48)
Net cash flow from operating activities (A)	**197.22**	**1,015.28**

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs. millions
Cash Flow from investing activities		
Purchase of fixed assets	(7.67)	(704.15)
Capital advances	0.00	(1.14)
Proceeds from sale of fixed assets	0.09	-
Interest received	0.22	0.10
Net cash flow used in investing activities (B)	**(7.36)**	**(705.20)**
Cash Flow from financing activities		
Repayment of long term borrowings due to exchange difference on transactions	(102.03)	102.49
Repayment of loan by foreign subsidiary and other Group Companies/	(43.28)	59.64
(Loans extended to foreign subsidiary and other Group Companies)		
Interest paid	71.08	(111.96)
Net cash used in financing activities (C)	**(74.23)**	**50.17**
Net increase /(decrease) in cash and cash equivalents (A+B+C)	115.62	360.25
Effect of exchange differences on cash and cash equivalents held in foreign currency	0.01	0.16
Cash and cash equivalents at the beginning of the year	(87.28)	(447.69)
Cash and cash equivalents at the end of the year	**28.35**	**(87.28)**
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 (note 4 (d) & (e)) *	28.35	36.14
Cash credit from banks (secured) (note 8(b))	0.00	(123.42)
Balance per statement of cash flows	**28.35**	**(87.28)**
* Includes Restricted Cash balance - unpaid dividend liability	4.04	7.83

As per our report of even date
For P. Murali & Co
Chartered Accountants
ICAI-Registration No.007257S

For and on behalf of the Board

A Krishna Rao
Partner
Membership No.020085

Reji Abraham
Managing Director

P.Venkateswaran
Director

Place: Chennai
Date: 26 May, 2022

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

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

Notes to IND AS Financial Statements for the year ended 31st March 2022

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 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.

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 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 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 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 Statement of profit and loss.

c) Trade Receivables:

The Company assesses the expected credit losses associated with its Trade Receivables carried at. 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. Materiality

Each material class of similar items has been presented separately in these Financial Statements.

5. 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.

6. 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.

7. 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 (Investments in associates and joint venture).

8. 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.

Notes to IND AS Financial Statements for the year ended 31st March 2022

9. 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.

10. Non-Current Assets held for Sale

In accordance 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.

11. 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. In case of replacement of one part, the new part is capitalized to the extent that it meets the recognition criteria of an asset, and the carrying amount of the parts replaced is derecognized.

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 2022

12. 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.

13. 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 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.

14. 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.

15. 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.

16. 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.

17. 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.

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 Superannuation Scheme / National Pension System (NPS), which is defined contribution retirement plan, is made annually at predetermined rate to Insurance Companies / Pension Funds which administer the fund 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. 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 re-measurement gains and losses.

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.

18. 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.

19. 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.

The company does not have any derivatives instruments during the period April 1, 2021 to March 31, 2022.

20. 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. 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.

21. 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 (Earning per share).

22. 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 2022

23. 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.

24. 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.

25. 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.

26. 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.

27. 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 and classified as Operating Lease, Income from Operating Lease is recognized in the Profit and Loss over the Lease tenure.

28. 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 Company 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 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 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.

Derivative financial instruments and hedge accounting

The Company has not entered into any derivative or hedging transactions.

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 2022

3(a). Property,plant and equipment

Rs.millions

	Land-Freehold	Buildings	Offshore Jack-up rigs	Drillship	Other Machineries	Wind Mills	Office Equip-ment	Furni-ture and Fixtures	Vehi-cles	Total
Year ended 31st March 2021										
Gross Carrying amount										
Opening gross carrying amount	128.56	109.86	14,977.65	7,894.72	4.08	29.12	13.79	2.11	24.88	23,184.76
Additions	-	-	717.29	1.15	-	-	0.48	-	4.93	723.85
Disposals	-	-	-	-	-	-	(0.00	-	(3.70)	(3.70)
Assets Re-classified as Assets Held for Sale	-	-	(4,923.75)	(7,895.87)	-	-	-	-	-	(12,819.62)
Balance as on 31st March 2021	**128.56**	**109.86**	**10,771.19**	**-**	**4.08**	**29.12**	**14.28**	**2.11**	**26.12**	**11,085.28**
Accumulated Depreciation / Impairment										
Opening accumulated depreciation	-	14.83	12,459.93	7,141.36	-	-	8.34	0.85	16.22	19,641.53
Depreciation charged during the year	-	2.43	458.22	143.79	-	-	0.60	-	2.88	607.92
Disposals	-	-	-	-	-	-	-	-	(3.58)	(3.58)
Impairment Charge	-	-	1,039.30	124.11	-	-	-	-	-	1,163.41
On Assets Re-classified as Assets Held for Sale			(4,644.09)	(7,409.26)						(12,053.35)
Closing Accumulated Depreciation	**-**	**17.26**	**9,313.36**	**-**	**-**	**-**	**8.93**	**0.85**	**15.53**	**9,355.93**
Net Carrying amount as on 31st March 2021	**128.56**	**92.61**	**1,457.83**	**-**	**4.08**	**29.12**	**5.34**	**1.27**	**10.59**	**1,729.35**
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	26.12	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**	**24.48**	**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	-	2.26	405.07
Disposals	-	-	-	-	-	-	-	-	(1.82)	(1.82)
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**	**90.18**	**1,005.92**	**-**	**4.08**	**29.12**	**5.43**	**1.26**	**8.51**	**1,273.03**

- Some of the offshore Jack-up rigs of the Company are charged as a security for the bank term loans taken by the wholly owned foreign subsidiary of the company.
- In respect of Jack-up rigs an impairment charge aggregating to Rs.58.94 Million (previous year: Rs.1,039.30 Million) has been recognized for the year 2021-22 as the carrying amounts of such assets exceeded its estimated value-in-use which is mainly due to the slump in the Oil and Gas industry.

Notes to IND AS Financial Statements for the year ended 31st March 2022

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. 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 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 and these rigs were reclassified as assets held for sale. During the year 2021-22, the Company entered into binding sale and purchase agreements (SPA) for sale of 2 offshore jack-up rigs. As on 31st March 2022 the sale isn't completed pending completion of certain formalities. On the basis of the sale price as per the SPA, the carrying value of these rigs have been further impaired to the extent of Rs.105.51 million. The carrying value of the Non current Assets held for sale as on 31st March 2022 is as under:

Class of Assets	**As at 31st March 2022 Rs. Millions**	**As at 31st March 2021 Rs. Millions**
Offshore Jack-up Rigs	174.15	279.66
Drillships	486.61	486.61
Total	660.76	766.27

4 (a). Non-current investments

	As at 31st March 2022 Rs. millions	**As at 31st March 2021 Rs. millions**
Trade Investment (valued at cost unless stated otherwise)		
Unquoted equity shares		
Investment in subsidiaries-wholly owned		
- 0.2 million (31st March 2021:0.2 million) equity shares of Rs.10 each fully paid in Aban Energies Limited	2.00	2.00
- 562.88 million(31st March 2021:562.88 million) equity shares in Aban Holdings Pte Ltd, Singapore # @	26,046.71	26,046.71
- 131.40 million (31st March 2021: 131.40 million)Non-Cumulative Optionally Redeemable / Convertible Preference Shares in Aban Holdings Pte Ltd, Singapore	9,270.61	9,270.61
Other- Investments		
- 0.015 million (15% holding) (31st March 2020:0.015 million) equity shares of Rs.10 each fully paid in Radhapuram Wintech Private Limited	0.15	0.15
- 4.011 million (31st March 2020 :4.011 million)10% Non Cumulative Redeemable Preference shares of Rs 10 each fully paid in Radhapuram Wintech Private Limited	40.11	40.11
- 0.025 million (15% holding) (31st March 2020:0.025 million) equity shares of Rs.10 each fully paid in Aban Green Power Private Limited	0.25	0.25
- 6.613 million (31st March 2020:6.613 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 2020: 0.3 million) equity shares of Rs.10 each fully paid in Aban Informatics Private Limited	19.85	19.85

Notes to IND AS Financial Statements for the year ended 31st March 2022

	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs. millions
Investment in joint ventures/associates		
- 0.05 million(31st March 2020:0.05 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 2020:Rs.4.99 million))	-	-
- 0.005 million (31st March 2020: 0.005 million) equity shares of Rs.10 each fully paid in Aban Drilling Services Private Limited	0.05	0.05
	35,445.86	**35,445.86**
Less:		
- Impairment of Investments in Aban Holdings Pte Ltd, Singapore	(35,317.32)	(35,317.32)
	128.55	**128.55**
Non-trade investments (measured at fair value)		
Investment in equity shares (quoted)		
'0.01 million (31st March 2021: 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 2021: Rs.0.18 million))	-	-
'0.0003 million (31st March 2021: 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 2021 : Rs 0.02 million)	-	-
	128.55	**128.55**
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	128.55	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.

@ 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 2022 Rs. millions	As at 31st March 2021 Rs.millions	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Unsecured, considered good unless stated otherwise				
Unsecured, considered good	-	-	3,110.31	3,333.42
Doubtful	-	-	235.50	152.64
	-	-	3,345.81	3,486.07
Less: Credit Loss allowance	-	-	(235.50)	(152.64)
Total	**-**	**-**	**3,110.31**	**3,333.42**

Notes to IND AS Financial Statements for the year ended 31st March 2022

i) 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 bank deposits, the Company maintains its deposits primarily with banks with high credit quality

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:

	2021 INR millions	2020 INR Millions
By geographical areas		
Asia	3,110.53	3,333.42

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:

	2021 INR millions	2020 INR Millions
Beginning of the financial year	152.64	115.94
Loss allowance recognised in profit or loss during the financial year	82.85	36.70
End of the financial year	**235.50**	**152.64**

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.

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 Company considers a financial asset as in default if the counterparty fails to make contractual payments within 180 days when they fall due, and writes off the financial asset after attempted all enforcement activity to recover the receivables due. 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 2022 and 2021 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 2022					
Trade receivables	-	-	-	3,345.81	3,345.81
Loss allowance	-	-	-	(235.50)	(235.50)
31 March 2021					
Trade receivables	-	-	16.41	4,871.00	5,181.69
Loss allowance	-	-	-	(115.94)	(115.94)

Notes to IND AS Financial Statements for the year ended 31st March 2022

Cash and cash equivalents, other receivables, are considered to have low risk of default. The balances are measured on 12-month expected credit losses. The credit loss, if any, is immaterial.

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	-	3.40	4.34	-	2,847.90	2,855.64
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	235.50	235.50
					(235.50)	(235.50)
(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 2022 Rs. millions	As at 31st March 2021 Rs.millions	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Loans and advances to related parties				
Unsecured, considered good (Note 29)	-	-	-	7.67
	-	-	-	7.67
Advances recoverable in cash or kind				
Secured considered good	-	-	-	-
Unsecured considered good	282.03	282.01	521.49	611.83
Doubtful	-	-	-	-
	282.03	282.01	521.49	611.83
Provision for doubtful advances	-	-	-	-
	282.01	282.45	611.83	400.17
Loans to employees	12.36	17.89	5.74	6.06
	294.39	**299.90**	**527.23**	**625.56**

Notes to IND AS Financial Statements for the year ended 31st March 2022

4(d). Cash and bank balances

	Non-current		Current	
	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Cash and cash equivalents				
Balances with banks:				
-On current accounts	-	-	12.80	17.37
Cash on hand	-	-	0.97	0.54
	-	**-**	**13.77**	**17.91**

4(e). Other bank balances

	Non-current		Current	
	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
On unpaid dividend account	-	-	4.04	7.83
-Deposits with original maturity for more than 12 months	3.03	3.03	-	-
- Margin money deposit	-	-	10.54	10.40
	3.03	3.03	14.58	18.23
Amount disclosed under other assets {(See note 4(f)}	**(3.03)**	**(3.03)**	-	-
	-	**-**	**14.58**	**18.23**

4(f). Other financial assets

	Non-current		Current	
	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Security deposit	2.10	2.13	8.02	8.27
Balances with statutory/ government authorities	193.24	192.61	69.07	69.07
Non-current bank balances - {refer note 4 (e)}	3.03	3.03	-	-
Other loans and advances				
Advance income-tax (net of provision for taxation)	-	-	697.71	673.14
Input Tax Credit under GST (Net of GST Liabilities)			160.93	167.98
	198.37	**197.77**	**935.73**	**918.46**

Notes to IND AS Financial Statements for the year ended 31st March 2022

5. Other assets

	Non-current		Current	
	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Prepaid expenses	-	-	21.75	7.00
Interest accrued on fixed deposits	-	-	2.70	2.01
Capital Advances			-	1.14
Total	**-**	**-**	**24.45**	**10.15**

6. Inventories

	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Stores, Spares and Fuel	729.05	889.86
Total	**729.05**	**889.86**

The above includes in inventories on assets held-for-sale amounting to Rs.355.93 million (Previous year : Rs.444.60 million). In addition the Company has recognised inventory write-down amounting to Rs.92.32 million (Previous year : NIL) in the Statement of Profit & Loss for the year ended 31st March 2022.

7(a). Equity Share capital

	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Authorised shares (No. millions)		
2,500 (31st March 2020: 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 2020: 36.88) equity shares of Rs.2/- each	73.75	73.75
0.85 (31st March 2020: 0.85) equity shares of Rs.2/- each issued against conversion of foreign currency convertible bonds	1.70	1.70
0.16 (31st March 2020: 0.16) equity shares of Rs.2/- each issued against employee stock option scheme	0.33	0.33
16.47 (31st March 2020: 16.47) equity shares of Rs.2/- each issued against qualified institutional placement	32.94	32.94
4.00 (31st March 2020:4.00) 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 2020: 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

Equity shares of Rs 2 each

	31st March 2022		31st March 2021	
	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 year ended 31st March 2022, the amount of per share dividend recognized as distributions to equity shareholders is Nil (31st March 2021:Nil).

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 2021: 1.843 Million equity shares of Rs.2 each)-Options lapsed during the year Nil (up to 31st March 2021: 0.331 million equity shares of Rs.2 each)-Options exercised during the year- Nil (up to 31st March 2021: 0.160 million equity shares of Rs.2 each)-Options outstanding at the end of year :1.352 million equity shares of Rs.2 each (up to 31st March 2021: 1.352 million equity shares of Rs.2 each)-Options yet to be granted under the scheme:0.332 million (31st March 2021: 0.332 million equity shares of Rs.2 each)

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

	31st March 2022		31st March 2021	
	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%**

Notes to IND AS Financial Statements for the year ended 31st March 2022

7 (b). Other equity

	As at 31st March 2022 Rs. millions	As at 31st March 2021 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
Add: Transfer from statement of profit and loss	-	-
	2,810.00	**2,810.00**
General Reserve		
Balance as per last Balance Sheet	1,479.79	1,479.79
Add: Transfer from statement of profit and loss	-	-
	1,479.79	**1,479.79**
Surplus/(deficit) in the statement of profit and loss		
Balance as per last Balance Sheet	(28,819.63)	(26,499.19)
Profit for the year	(1,057.41)	(2,313.02)
Expected return on Plan assets & Net Actuarial gain/(loss) recognised during the year through other comprehensive income	3.61	(7.42)
Net Surplus/(deficit) in the statement of profit and loss	**(29,873.43)**	**(28,819.63)**
Total Other Equity	**(7,765.41)**	**(6,711.61)**

Notes to IND AS Financial Statements for the year ended 31st March 2022

8 (a). Borrowings

	Non-current maturities		Current maturities	
	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Term loans				
Foreign currency term loans from banks (secured)	-	-	3,430.99	3,328.04
Rupee term loans from banks (secured)	-	-	1,163.87	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
	-	**-**	**7,596.78**	**7,493.83**
The above amount includes				
Secured borrowings	-	-	4,594.86	4,491.91
Unsecured borrowings	-	-	3,001.92	3,001.92
Amount disclosed under the head “Other financial liabilities" **Note 8 (c)**	-	-	(7,596.78)	(7,493.83)
	-	**-**	**-**	**-**

Particulars	Maturity Date	Terms of repayment	Coupon/ Interest rate	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs. millions
Secured					
(a) Foreign currency loan (USD)	2018-2019	Loans recalled and payable on demand	6 months LIBOR + 6%	3,430.99	3,328.04
(b)Rupee term loans from banks	2018-2019	Loans recalled and payable on demand	13.18%	1,163.87	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				**7,596.78**	**7,493.83**
Less: Current maturities of long term borrowings				7,596.78	7,493.83
Non-Current borrowings				-	-

* 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.
2. Loans under (b) above are secured by first charge on specific offshore drilling rigs owned by foreign subsidiaries. Loans under (c) is Unsecured.
3. As per IND AS, the Preference Share capital is grouped under borrowings.
4. Since all term loans have been recalled by the lenders, the entire term loans are presented as current liabilities as at 31.03.2022

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.

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.

8 (b) Current Borrowings

	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Cash Credit Facility from Banks (Secured)	-	123.42
	-	**123.42**
The above amount includes		
Secured borrowings	-	123.42
	-	**123.42**

Cash credit from banks is secured by way of hypothecation of inventory of stores and spares and book debts. Moreover, all the offshore jack-up rigs of the company have been offered as a second charge for certain cash credit facilities. The cash credit is repayable on demand and carries interest @ 15.50% p.a.

8 (c) Other financial liabilities

	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs. millions
Current maturities of long term borrowings [see note 8(a)]	7,596.78	7,493.83
Interest accrued and due on borrowings	2,385.13	1,898.93
Investor Education and Protection Fund will be credited by following amounts (as and when due)		
- Unclaimed dividends	4.04	7.83
Dividend accrued and due on Redeemable preference share (including penal interest)	2,280.74	1,943.54
Provision for tax on Redeemable preference share dividend	345.87	345.87
	12,612.57	**11,690.00**

Notes to IND AS Financial Statements for the year ended 31st March 2022

9. Employee benefit obligations

	Long- Term		Short-term	
	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Provision for employee benefits				
Provision for Provident Fund	-	-	0.33	0.34
Provision for Gratuity	-	4.99	-	3.86
Provision for Leave Encashment	-	4.96	-	0.41
	-	**9.95**	**0.33**	**4.61**

10 Deferred tax Assets

	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Deferred tax asset on timing differences		
On depreciation	579.37	633.19
On others	-	-
	579.37	**633.19**

11 Trade payables

	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Trade payables	**3,015.66**	**3,574.38**

Ageing for trade payables outstanding as at March 31, 2022 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	54.76	20.20	-	2,940.69	3,015.66
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
					3,015.66

12 Other Current liabilities

	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Advance - Customers	506.33	756.22
Tax deducted at Source payable	3.38	4.92
	509.71	**761.14**

Notes to IND AS Financial Statements for the year ended 31st March 2022

13. Revenue from operations

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
Revenue from drilling and drilling related contracts	813.54	1,551.45
Revenue from wind power generation	7.13	7.88
	820.67	**1,559.32**

14. Other income

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
Rental income	6.06	7.20
Interest income on		
- Bank deposits	0.91	1.11
- Loan to Other Companies	-	0.27
- Inter Corporate Deposits	41.18	41.18
Net gain on sale of Tangible assets	2.09	0.13
Provision no longer required written back	27.09	212.06
Miscellaneous Income	64.55	69.14
	141.88	**331.09**

15. Consumption of Stores, Spares, power and Fuel

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
Consumption of stores and spares	2.24	71.95
Power and Fuel	25.20	70.47
	27.45	**142.42**

16. Employee Benefit Expense

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
Salaries,wages and bonus	91.40	264.58
Contribution to provident fund	3.77	9.78
Gratuity expense (note 25)	1.60	1.43
Post-employment pension benefits	5.80	13.36
Staff welfare expenses	4.36	4.25
	106.92	**293.40**

Notes to IND AS Financial Statements for the year ended 31st March 2022

17. Finance costs

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
Interest on borrowings	456.08	477.97
Dividend on Redeemable Preference Shares	337.20	337.14
	793.28	**815.11**

18. Depreciation and amortization expense

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
Depreciation on property,plant and equipment	405.26	607.91
	405.26	**607.91**

19. Impairment of Property, Plant and Equipment

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
Impairment of Property, Plant and Equipment and assets held for sale	164.45	1,163.41
	164.45	**1,163.41**

20. Impairment Loss / Bad debts Write Off of Receivables

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
Impairment of Trade Receivables	82.85	36.70
Bad Debts	-	1,186.83
	82.85	**1,223.53**

21. Other expenses

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
Freight and Forwarding Cost	4.66	13.98
Rent	1.67	2.27
Rates and taxes	64.88	6.96
Rental charges for Machinery	8.93	18.20
Insurance	43.30	64.67
Repairs and maintenance:		
-Plant and machinery	12.87	12.30
-Buildings	1.42	1.31
-Others	3.64	5.81

Notes to IND AS Financial Statements for the year ended 31st March 2022

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
Advertising and sales promotion	0.48	1.42
Travelling ,conveyance and Transportation	8.19	68.87
Communication Costs	4.83	9.69
Printing and Stationery	0.83	1.16
Professional and Consultancy Expenses	72.06	198.91
Catering Expenses	4.68	16.40
Directors' Sitting Fees	1.52	1.05
As Auditor		
- Audit fee	3.50	3.50
- Tax audit fee	1.10	0.70
- Limited review	1.40	1.40
In other capacity		
- Taxation matters	-	0.40
- Company law matters	-	-
- Management services	-	-
- Other services (Certification Fees)	-	-
Reimbursement of Expenses	-	-
Exchange Difference(net)	134.68	68.79
Miscellaneous expenses	17.80	19.81
	392.43	**517.61**

22. 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 2022			31st March 2021		
	FVPL	FVOCI	Amortized Cost	FVPL	FVOCI	Amortized Cost
Financial Assets						
Investments- Equity Instruments	-	-	128.55	-	-	128.55
Trade Receivables	-	-	3,110.31	-	-	3,333.42
Loans	-	-	821.62	-	-	925.46
Cash and Bank Balances	-	-	28.35	-	-	36.14
Other Financial assets	-	-	1,134.10	-	-	1,116.22
Total	**-**	**-**	**5,222.93**	**-**	**-**	**5,539.80**
Financial Liabilities						
Borrowings & other financial liabilities	-	-	12,612.57	-	-	11,813.42
Trade payables	-	-	3,015.66	-	-	3,574.38
Total	**-**	**-**	**15,628.22**	**-**	**-**	**15,387.80**

The fair value FVOCI equity instruments have been derived from market prices of the quoted securities hence fall under level 1 hierarchy of fair valuation.

Notes to IND AS Financial Statements for the year ended 31st March 2022

Fair value of financial assets and liabilities measured at amortised cost

Rs. Millions

Particulars	31st March 2022		31st March 2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Non current financial assets				
Loans	294.39	294.39	299.90	299.90
Other financial assets	198.37	198.37	197.77	197.77
Total	**492.76**	**492.76**	**497.67**	**497.67**
Non current Financial Liabilities				
Borrowings	-	-	-	-
Total	**-**	**-**	**-**	**-**

23. 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	2021-22	2020-21
USD	2,327.83	2,973.52
EURO	259.58	266.85

- 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	2021-22	2020-21
USD	0.16	228.75
SGD	-	11.33
AED	0.13	11.36
EURO	-	19.38

- 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	2021-22	2020-21
USD	4,845.04	4,500.16

- Cash and cash equivalents held in foreign currency.

Notes to IND AS Financial Statements for the year ended 31st March 2022

Cash & Cash equivalents

Rs. Millions

Currency	2021-22	2020-21
USD	0.27	0.26
EURO	-	-
AED	-	-

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.

Ratios

Ratio	Numerator	Denominator	Current Year	Previous Year
Current Ratio (in times)	Total Current Assets	Total Current Liabilities	0.33	0.36
Debt-Equity Ratio (in times)	Debt consists of borrowings & lease Liabilities	Total Equity	(0.99)	(1.14)
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	0.12	(1.78)
Return on Equity Ratio (in %)	Preference Dividend (if any)	Average Total Equity	(0.15)	(0.42)
Trade Receivables Turnover Ratio (in times)	Revenue from Operations	Average Trade Receivables	0.25	0.37
Trade Payables Turnover Ratio (in times)	Cost of Equipment and software licenses + Other Expenses	Average Trade Payables	0.13	0.16
Net Capital Turnover Ratio (in times)	Revenue from Operations	Average Capital Employed	(0.12)	(0.29)
Net Profit Ratio (in %)	Profit for the year	Revenue from Operations	(1.28)	(1.49)
Return of Capital Employed (in %)	Profit before tax and finance Costs	Capital Employed = Networth + Lease Liabilities + Deferred Tax Liabilities	(0.27)	(0.68)
Return on Investment (in %)	Income generated from invested funds	Average invested funds in Treasury Investments	N.A.	N.A.

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:

Notes to IND AS Financial Statements for the year ended 31st March 2022

Currency Table

Rs. Millions

Currency	2021-22		2020-21	
	Income Gain / (Loss)	Equity Gain / (Loss)	Income Gain / (Loss)	Equity Gain / (Loss)
5% appreciation of USD (2021: 5 %)	(125.87)	-	(87.77)	-
10% appreciation of Euro (2021: 10%)	26.68	-	26.68	-
5% appreciation of SGD (2021: 5%)	-	-	0.57	-
5% appreciation of AED (2021: 5%)	(0.02)	-	0.57	-

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

	2021-22	2020-21
	Income Gain / (Loss)	Income Gain / (Loss)
Increase in 6M LIBOR by 50 basis points	(17.15)	(16.64)
Increase in rupee lending rate by 100 basis points	(13.56)	(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 Group. 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:

Rs. Millions

	2021-22	2020-21
Past due upto 6 months	669.02	1,107.65
Past due over 6 months	2,441.51	2,225. 77

Notes to IND AS Financial Statements for the year ended 31st March 2022

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 as well as continuing financial support from the immediate and ultimate holding corporation to enable the Group 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 31/3/2022

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 Cummulative Redeemable preference shares	5,436.61	-	-	-	-	-

As At 31/3/2021

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	6,706.17	-	-	-	-	-
Non Convertible Cummulative Redeemable preference shares	5,099.41	-	-	-	-	-

The above analysis table does not include loans to be settled on demand.

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 Group and 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	2021-22	2020-21
Total Equity	(7,648.68)	(6,594.88)
Borrowings	7,596.78	7,617.25

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.

24. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
Loss for the year	(1,057.41)	(2,313.02)
	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)	(18.12)	(39.63)
Earning per share (diluted in Rs)	(18.12)	(39.63)

* 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 31.03.2022 and are ignored in the calculation of diluted earnings per share as required under the Accounting Standard.

25. 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 2022

	Ind AS 19	Projected Unit Credit Method	Projected Unit Credit Method
	Period Covered	2020-21	2021-22
A.	**Change in defined benefit obligation**	**31-03-2021**	**31-03-2022**
1.	Defined benefit obligation at beginning of period	92,634,634	82,700,986
2.	Service cost		
	a. Current service cost	1,625,401	1,621,732
	b. Past service cost	-	-
	c. (Gain) / loss on settlements	-	-
3.	Interest expenses	5,526,189	4,663,292
4.	Cash flows		
	a. Benefit payments from plan	(24,390,402)	(23,444,823)
	b. Benefit payments from employer	-	-
	c. Settlement payments from plan	-	-
	d.Settlement payments from employer	-	-
5.	Remeasurements		
	a. Effect of changes in demographic assumptions	301,314	-
	b. Effect of changes in financial assumptions	3,212,635	772,251
	c. Effect of experience adjustments	3,791,215	(2,118,953)
6.	Transfer In /Out		
	a. Transfer In	-	-
	b. Transfer out	-	-
7.	Defined benefit obligation at end of period	82,700,986	64,194,485
B.	**Change in fair value of plan assets**	**31-03-2021**	**31-03-2022**
1.	Fair value of plan assets at beginning of period	92,625,394	73,846,998
2.	Interest income	5,718,327	4,687,659
3.	Cash flows		
	a. Total employer contributions		
	(i) Employer contributions	9,240	11,500,000
	(ii) Employer direct benefit payments	-	-
	(iii) Employer direct settlement payments	-	-
	b. Participant contributions	-	-
	c. Benefit payments from plan assets	(24,390,402)	23,444,823
	d. Benefit payments from employer	-	-
	e. Settlement payments from plan assets	-	-
	f. Settlement payments from employer	-	-
4.	Remeasurements		
	a. Return on plan assets (excluding interest income)	(115,561)	2,262,070
5.	Transfer In /Out		
	a. Transfer In	-	-
	b. Transfer out	-	-
6.	Fair value of plan assets at end of period	73,846,998	68,851,904
C.	**Amounts recognized in the Balance Sheet**	**31-03-2021**	**31-03-2022**
1.	Defined benefit obligation	82,700,986	64,194,485
2.	Fair value of plan assets	(73,846,998)	(68,851,904)
3.	Funded status	8,853,988	(4,657,419)
4.	Effect of asset ceiling	-	-
5.	Net defined benefit liability (asset)	8,853,988	(4,657,419)
D.	**Components of defined benefit cost**	**31-03-2021**	**31-03-2022**
1.	Service cost		
	a. Current service cost	1,625,401	1,621,732
	b. Past service cost	-	-
	c. (Gain) / loss on settlements	-	-
	d. Total service cost	1,625,401	1,621,732
2.	Net interest cost		
	a. Interest expense on DBO	5,526,189	4,663,292
	b. Interest (income) on plan assets	5,718,327	4,687,659
	c. Interest expense on effect of (asset ceiling)	-	-
	d. Total net interest cost	(192,138)	(24,367)
3.	Remeasurements (recognized in OCI)		
	a. Effect of changes in demographic assumptions	301,314	-
	b. Effect of changes in financial assumptions	3,212,635	772,251
	c. Effect of experience adjustments	3,791,215	(2,118,953)
	d. (Return) on plan assets (excluding interest income)	(115,561)	2,262,070
	e. Changes in asset ceiling (excluding interest income)	-	-
	f. Total remeasurements included in OCI	7,420,725	(3,608,772)
4.	Total defined benefit cost recognized in P&L and OCI	8,853,988	(2,011,407)

Notes to IND AS Financial Statements for the year ended 31st March 2022

	Ind AS 19	Projected Unit Credit Method	Projected Unit Credit Method
E.	**Re-measurement**	**31-03-2021**	**31-03-2022**
	a. Actuarial Loss/(Gain) on DBO	7,305,164	(1,346,702)
	b. Returns above Interest Income	(115,561)	2,262,070
	c. Change in Asset ceiling	-	-
	Total Re-measurements (OCI)	7,420,725	(3,608,772)
F.	**Employer Expense (P&L)**	**31-03-2021**	**31-03-2022**
	a. Current Service Cost	1,625,401	1,621,732
	b. Interest Cost on net DBO	(192,138)	(24,367)
	c. Past Service Cost	-	-
	d. Total P&L Expenses	1,433,263	1,597,365
G.	**Net defined benefit liability (asset) reconciliation**	**31-03-2021**	**31-03-2022**
1.	Net defined benefit liability (asset)	9,240	8,853,988
2.	Defined benefit cost included in P&L	1,433,263	1,597,365
3.	Total remeasurements included in OCI	7,420,725	(3,608,772)
4.	a. Employer contributions	(9,240)	(11,500,000)
	b. Employer direct benefit payments	-	-
	c. Employer direct settlement payments	-	-
5.	Net transfer	-	-
6.	Net defined benefit liability (asset) as of end of period	8,853,988	(4,657,419)
H.	**Reconciliation of OCI (Re-measurment)**	**31-03-2021**	**31-03-2022**
1.	Recognised in OCI at the beginning of period	(20,373,498)	(20,373,498)
2.	Recognised in OCI during the period	7,420,725	(3,608,772)
3.	Recognised in OCI at the end of the period	(12,952,773)	(23,982,270)
I.	**Sensitivity analysis - DBO end of Period**	**31-03-2021**	**31-03-2022**
1.	Discount rate +100 basis points	18,587,472	63,134,661
2.	Discount rate -100 basis points	20,810,414	65,350,088
3.	Salary Increase Rate +1%	20,740,074	65,263,021
4.	Salary Increase Rate -1%	18,632,751	63,195,653
5.	Attrition Rate +1%	19,771,972	64,263,533
6.	Attrition Rate -1%	19,521,868	64,152,404
J.	**Significant actuarial assumptions**	**31-03-2021**	**31-03-2022**
1.	Discount rate Current Year	6.57%	6.84%
2.	Discount rate Previous Year	6.87%	6.57%
3.	Salary increase rate	3.0%	4.0%
4.	Attrition Rate	4.0%	4.0%
5.	Retirement Age	60	60
6.	Pre-retirement mortality	IALM (2012-14) Ultimate	IALM(2012-14) Ultimate
7.	Disability	Nil	Nil
K.	**Data**	**31-03-2021**	**31-03-2022**
1.	No.	50	42
2.	Avg. Age (yrs.)	50	51
3.	Avg. Past Service (yrs.)	17	18
4.	Avg. Sal. Mly (Rs.)	53,979	60,446
5.	Future Service (yrs.)	10	9
6.	Weighted average duration of DBO	8	6
L.	**Defined benefit obligation at end of period**	**31-03-2021**	**31-03-2022**
	Current Obligation	64,297,881	43,967,540
	Non-Current Obligation	18,403,105	20,226,945
	Total	82,700,986	64,194,485
M.	**Expected cash flows for following year**	**31-03-2021**	**31-03-2022**
1.	Expected employer contributions / Addl. Provision Next Year	1,625,401	40,879,802
2.	Expected total benefit payments		
	Year 1	1,513,339	2,213,782
	Year 2	1,960,852	2,065,618
	Year 3	1,798,792	2,070,882
	Year 4	1,781,651	5,194,058
	Year 5	4,360,951	1,910,571
	Next 5 years	7,584,171	8,305,882

SUMMARY

	Assets / Liabilities	31-03-2021	31-03-2022
1.	Defined benefit obligation at end of period	82,700,986	64,194,485
2.	Fair value of plan assets at end of period	73,846,998	68,851,904
3.	Net defined benefit liability (asset)	8,853,988	(4,657,419)
4.	Defined benefit cost included in P&L	1,433,263	1,597,365
5.	Total remeasurements included in OCI	7,420,725	(3,608,772)
6.	Total defined benefit cost recognized in P&L and OCI	8,853,988	(2,011,407)

26. 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 INR 2/- each. Options granted during the year – Nil (upto 31st March 2021: 1.843 million equity shares of INR 2/- each). Options lapsed during the year – 0.397 million equity shares of INR 2/- each (upto 31st March 2021: 0.717 million equity shares of INR 2/- each). Options exercised during the year: Nil (upto 31st March 2021: 0.160 million equity shares of INR 2/- each). Options outstanding at the end of the year: 0.569 million equity shares of INR 2/- each (upto 31st March 2021: 0.966 million equity shares of INR 2/- each). Options yet to be granted under the scheme: Nil equity shares of INR 2/- each (31st March 2021: Nil million equity shares of INR 2/- each).

27. Interest in joint venture/associate

(a) 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 2022	Proportion of ownership interest 31st March 2021
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.

(b) The company's share of the assets, liabilities, Revenue and Profit in the associate company –Aban Drilling Services Private Limited, based on the audited financial statements are as follows :

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
Assets-As at	0.18	0.17
Liabilities- As at	0.08	0.07
Revenue for the year ended	-	-
Net Profit for the year ended	-	-

28. 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.

29.(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

Aban International Norway As, Norway

Deep Drilling Invest Pte Ltd, Singapore

Deep Drilling 1 Pte Ltd, Singapore

Deep Drilling 2 Pte Ltd, Singapore

Deep Drilling 3 Pte Ltd, Singapore

Deep Drilling 4 Pte Ltd, Singapore

Deep Drilling 5 Pte Ltd, Singapore

Deep Drilling 6 Pte Ltd, Singapore

Deep Drilling 7 Pte Ltd, Singapore

Deep Drilling 8 Pte Ltd, Singapore

Deep Driller Mexico S de RL de CV, Mexico

Aban Labuan Pvt Ltd, Labuan,Malaysia

Caldera Petroleum (UK) Limited

C. Associate of Aban Offshore Limited

Aban Drilling Services Private Limited

D. Related parties with whom transactions have taken place during the year

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

Notes to IND AS Financial Statements for the year ended 31st March 2022

Related Party transactions during the year

Nature of transaction	Subsidiary companies 31st March 2022 Rs. millions	Subsidiary companies 31st March 2021 Rs. millions	Key Management Personnel/ Relative 31st March 2022 Rs. millions	Key Management Personnel/ Relative 31st March 2021 Rs. millions
1. Machinery maintenance charges paid	0.94	0.94	-	-
2. Rent paid/(received)	-	-	4.95	4.95
3. Remuneration - Paid / (Recovery)	-	-	-	(30.28)
4. Advances recoverable/(payable)	(9.48)	(13.81)		
5. Bareboat charter received in advance	-	756.22	-	-
6. Bareboat charter and support service income	851.04	454.17	-	-
7. Amount outstanding as at 31st March 2022				
- Receivable	15.79	7.67		
- Payable	506.33	-	-	-

30. Contingent Liabilities

	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
(a) Guarantees given by banks on behalf of the company	-	-
(b) Corporate guarantees given by the company to banks and customers on behalf of subsidiaries of company's wholly owned foreign subsidiary	542.85	532.43

(c) Claims against the company not acknowledged as debt:

As at 31st March 2022:

(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. 287.23 Million (Previous Year Rs. NIL)

(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. 371.30 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. 195.32 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 for verification

Income tax dues relating to the period 2010-2011 amounting to Rs. 1,117.10 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. 846.82 Million (Previous Year – Rs. 846.82 Million).Remitted back to the Deputy Commissioner by the Income tax Appellate Tribunal for verification.

Income tax dues relating to the period 2014-2015 amounting to Rs. 2.59 Million (Previous Year – Rs. NIL) 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 for verification.

Income tax dues relating to the period 2016-2017 amounting to Rs. 8.93 Million (Previous Year – Rs. NIL) 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 NIL) pending before the Deputy Commissioner of Income-tax, Chennai

(iv) In respect of Service Tax Matters:

Service Tax dues relating to the year 2006-11 amounting to Rs. 78.73 Million (Previous Year Rs. 78.72 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

Notes to IND AS Financial Statements for the year ended 31st March 2022

Service Tax dues relating to the period 2008 – 2010 amounting to Rs. 605.75 Million (Previous Year – Rs. 605.75 Million) pending before the CESTAT ,Mumbai.

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.495.92 Million (Previous Year – Rs. 495.92 Million) Writ Petition pending before the Honorable High Court of Bombay.

Service Tax dues relating to the period 2017-2018 amounting to Rs. 49.96 Million (Previous Year – Rs. NIL) 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. NIL). The Company is in the process of filing an appeal before the Appellate Authority.

(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. Nil 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.NIL). Company is in the process of filing Writ Petition before the Honorable Hight 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

31. Capital and Other Commitments

	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Capital and Other commitments not provided for	-	1.14

Notes to IND AS Financial Statements for the year ended 31st March 2022

32.(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.

Particulars	Subsidiary	Balance outstanding as at 31st March 2022 Rs. millions	Maximum balance outstanding during the year Rs. millions	Balance outstanding as at 31st March 2021 Rs. millions	Maximum balance outstanding during the year Rs. millions
Aban Energies Limited (advance)	Indian subsidiary	7.56	7.56	17.04	17.04
Aban Holdings Pte Ltd (Loan & advance)	Foreign subsidiary	(73.66)	(8.08)	(9.23)	(8.08)

(ii) Investment by the Loanee in the shares of the Company

The loanees have not made any investments in the shares of the Company.

33. Value of imports calculated on CIF basis

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
a. Capital items	-	184.44
b. Stores and spare parts	-	16.16

34. Expenditure in foreign currency

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
a. Interest on foreign currency loans	266.45	265.39
b. Travel and transport	0.37	32.35
c. Consultancy fees	3.51	71.65
d. Rental charges for machinery		
e. Insurance	34.27	56.43
f. Repairs to machinery	-	0.64
g. Salary and staff welfare	-	-
h. Others	17.63	23.38

35. Imported and indigenous stores and spares consumed

	Year ended		Year ended	
	31st March 2022 Value (Rs. millions)	31st March 2022 % of total consumption	31st March 2021 Value (Rs. millions)	31st March 2021 % of total consumption
Stores and spares				
Imported	-	-	60.21	83.70%
Indigenous	-	-	11.73	16.30%

Notes to IND AS Financial Statements for the year ended 31st March 2022

36. Earnings in foreign currency

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
a. Drilling and production services	813.54	1,551.45
b. Others	40.47	30.21

37. Generation of Electricity from wind power (net)

Year ended 31st March 2022		Year ended 31st March 2021	
Units millions	Rs. millions	Units millions	Rs. millions
2.57	7.12	2.90	7.88

38. Exceptional Items:

Exceptional Items represents waiver of working capital facility by a bank under a One-Time Settlement Agreement with the Company which has been duly discharged by the Company.

39. 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 unpaid to Micro and Small Enterprises	-
Interest due and payable to Micro and Small Enterprises	-

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.

41. 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 2022: Rs.542.85 million (31st March 2021: Rs.532.43 million).

(b) customers of wholly owned foreign subsidiary and its step down subsidiaries in respect of contractual performance of such subsidiaries as at 31st March 2022: Rs. NIL (31st March 2021:Rs. NIL).

42. 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.1,057.41 Million (Previous Year: Rs.2,313.02 Million) for the financial year ended 31st March 2022, and as at that date, the Company is in net current liabilities position of Rs. 10,783.15 Million (Previous Year: Rs.10,339.96 Million). The Company is also in net liabilities position of Rs.7,648.68 Million (Previous Year: Rs.6,594.88 Million) as at 31st March 2022.

An impairment loss on the rigs amounting to Rs. 164.45 Million (Previous Year: Rs.1,163.41 Million) was made during the financial year ended 31st March 2022 as disclosed in note 19. 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 2022 is still appropriate after taking into consideration of the above actions and measures.

43. COVID -19 Impact:

The Company faced operational disruptions on some of the offshore rigs during the year 2021-22 and operations were restored within reasonable time with no significant impact on the financial performance. The Management believes that it has taken into account all the possible impact of the COVID-19 pandemic in preparation of the financial statements. The Management believes that the pandemic is not expected to have any significant impact on the financial performance and operating environment of the Company in financial year 2022-23.

44. Events Occuring after Balance Sheet Date

The Company has sold 2 offshore Jack Up Rigs viz Aban V and Aban VI on 12th May 2022 pursuant to the Sale and Purchase agreements for such rigs during the financial year ended 31st March 2022.

45. Previous year figures

The Company has reclassified previous year figures to conform to this year's classification.

As per our report of even date

For P. Murali & Co

Chartered Accountants

ICAI-Registration No.007257S

For and on behalf of the Board

A Krishna Rao Partner Membership No.020085	**Reji Abraham** Managing Director	**P.Venkateswaran** Director
Place: Chennai Date: 26 May, 2022	**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, Singapore	Aban Abraham Pte Ltd, Singapore	Aban 7 Pte Ltd, Singapore	Aban 8 Pte Ltd, Singapore	Aban Pearl Pte Ltd, Singapore	Aban International Norway AS,Norway
		Rs in Millions	Rs in Millions	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	2,14,662.00	3,766.00	5,724.32	2,862.16	4,368.56	1,04,943.78
b)	Reserves & Surplus *	(117.09)	(1,21,564.52)	(32,371.57)	(37,547.19)	(11,107.57)	(2,590.27)	(5,423.52)	(1,575.12)
c)	Total Assets	7.51	0.89	4,008.25	366.02	0.38	2,901.04	-	54.85
d)	Total Liabilities	122.59	1,84,602.33	3,926.24	34,147.22	5,383.62	2,629.15	1,054.96	12,645.10
e)	Investments (except in case of investment in subsidiaries)	-	39,191.79	1,82,208.43	-	-	-	-	1,15,958.91
f)	Turnover	12.80	445.89	4,079.27	4.53	-	661.07	-	-
g)	Profit/(Loss) before Taxation	(18.42)	(9,063.36)	(229.41)	(147.97)	(33.77)	(576.29)	(1.07)	(332.24)
h)	Provision for Taxation	-	-	125.16	-	-	45.97	-	-
I)	Profit/(Loss) after Taxation	(18.42)	(9,063.36)	(354.57)	(147.97)	(33.77)	(622.27)	(1.07)	(332.24)
j)	Proposed Dividend		-	-	-	-	-	-	-
k)	% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%

	Name of the subsidiary Company	Aban Labuan Pvt Ltd Malaysia	Deep Drilling Invest Pte Ltd, Singapore	Deep Drilling 1 Pte Ltd, Singapore	Deep Drilling 2 Pte Ltd, Singapore	Deep Drilling 3 Pte Ltd, Singapore	Deep Drilling 4 Pte Ltd, Singapore	Deep Drilling 5 Pte Ltd, Singapore
		Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions
a)	Share Capital	0.00	48,418.75	10,201.23	10,978.67	9,788.01	2,842.18	5,132.79
b)	Reserves & Surplus *	3.02	1,039.82	(3,816.22)	7,220.18	6,519.56	7,613.27	2,586.21
c)	Total Assets	2.41	308.39	5,675.01	17,191.08	15,402.76	9,491.12	6,754.42
d)	Total Liabilities	(0.61)	2.01	(710.01)	(1,007.78)	(904.81)	(964.33)	(964.58)
e)	Investments (except in case of investment in subsidiaries)	-	49,152.19	-	-	-	-	-
f)	Turnover	-	47.21	-	40.22	337.43	158.85	-
g)	Profit/(Loss) before Taxation	(0.67)	41.64	(747.14)	(1,991.35)	(9.22)	(1,880.70)	(1,827.27)
h)	Provision for Taxation	0.47	0.00	-	-	-	4.56	0.01
I)	Profit/(Loss) after Taxation	(1.14)	41.64	(747.14)	(1,991.35)	(9.22)	(1,885.27)	(1,827.28)
j)	Proposed Dividend	-	-	-	-	-	-	-
k)	% of shareholding	100%	100%	100%	100%	100%	100%	100%

	Name of the subsidiary Company	Deep Drilling 6 Pte Ltd, Singapore	Deep Drilling 7 Pte Ltd, Singapore	Deep Drilling 8 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
a)	Share Capital	3,864.82	4,231.28	2,113.20	0.02	0.10
b)	Reserves & Surplus *	(9,939.05)	(11,063.89)	(8,159.26)	(2,535.99)	(23.89)
c)	Total Assets	(1,670.63)	(7,754.46)	(6,969.27)	3.35	-
d)	Total Liabilities	4,403.59	(921.84)	(923.22)	2,539.32	3,381.02
e)	Investments (except in case of investment in subsidiaries)	-	-	-	-	3,357.22
f)	Turnover	543.76	-	147.48	-	-
g)	Profit/(Loss) before Taxation	(1,486.01)	(474.93)	(1,758.03)	(0.42)	(9.29)
h)	Provision for Taxation	0.00	-	-	-	-
I)	Profit/(Loss) after Taxation	(1,486.01)	(474.93)	(1,758.03)	(0.42)	(9.29)
j)	Proposed Dividend	-	-	-	-	-
k)	% of shareholding	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 Hydrocarbons PTE Ltd Singapore**
		Rs in Millions	Rs in Millions
a)	Latest audited Balance Sheet Date	31-03-2022	31-03-2022
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	99.86	-
	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	100.09	(0.43)
f)	Profit/(Loss) for the year		
	Considered in Consolidation	(11.02)	(0.00)
	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

P.Venkateswaran
Director

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

Place: Chennai
Date: May 26, 2022

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 Ind AS Financial Statements of **ABAN OFFSHORE LIMITED** (hereinafter referred to as the "Holding company"), its subsidiaries (the Holding company, its subsidiaries and associate together referred to as "the Group "), comprising of the Consolidated Balance Sheet as at 31stMarch, 2022, the Consolidated Statement of Profit and Loss (including other comprehensive income),the Consolidated Cash Flow and the Consolidated Statement of changes in equity 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 Ind AS financial statements")

The Consolidated Ind AS financial statements includes the following entities:

i. **Aban Holdings Pte Ltd, Singapore** – Wholly owned foreign subsidiary (includes its subsidiary corporations)

ii. **Aban Energies Ltd** - Wholly owned Indian subsidiary.

We do not express an opinion on the accompanying financial statements of the entity. Because of the significance of the matters described in the Basis 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.

Basis for Disclaimer of Opinion:

a) In case of wholly owned subsidiary of the company, "Aban Holdings Pte Ltd" Singapore along with its subsidiaries and associates whose consolidated Financial Statements have been audited by other auditors "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, 2022 which is reproduced as under:

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 2022, 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 50.

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 of the Company as going concerns notwithstanding that the Group incurred a net loss of US$278,097,000 (2021: US$234,832,000) for the financial year ended 31 March 2022, and as at that date, the Group and the Company are in net current liabilities position of US$2,574,168,000 and US$2,574,955,000 (2021: US$2,625,750,000 and US$2,490,663,000) respectively. The Group and the Company are also in net liabilities position of US$2,489,592,000 and US$1,803,389,000 (2021: US$2,211,495,000 and US$1,808,882,000) respectively as at 31 March 2022.

As disclosed in Note 15 and 19 to the financial statements, the Group's rigs with carrying amount of US$32,000,000 (2021: US$368,520,000) and the Group's rigs classified as assets held-for-sale with carrying amount of US$146,429,000 (2021: US$Nil) have been pledged as security for the borrowings of the Group and of the Company amounting US$1,923,661,000 and US$1,788,591,000 (2021: US$1,974,174,000 and US$1,829,791,000) respectively. An impairment loss on the rigs and inventory write-down totalling to US$134,382,000 and US$7,758,000 (2021: US$63,444,000 and US$ 16,154,000) respectively was made during the financial year ended 31 March 2022.

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 of 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 concern. 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 of the Company for the financial year ended 31 March 2022 is still appropriate after taking into consideration of the above actions and measures that, as at the date of this report, the Group and the Company have entered into binding sale and purchase agreements for the sale of 6 rigs owned by the Group and are in discussions with its lenders to obtain approval for and implementation of an appropriate debt resolution plan.

The ability of the Group and of 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 are 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 of 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 are unable to obtain bank confirmations for the Group's bank balances of US$37,412 (2021: US$Nil) and the Group's and the Company's bank borrowings of US$1,923,661,124 and US$1,788,590,678 (2021: US$1,864,845,988 and US$1,729,775,542) respectively as at 31 March 2022.

There are also no practicable audit procedures available to us to verify these balances and transactions. As a result, we are unable to ascertain the accuracy and completeness of the aforesaid bank balances and bank borrowings. In addition, we are 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 are 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 and amounts due from subsidiary corporation and immediate and ultimate holding corporation

As disclosed in Note 16 to the financial statements, the Company's investments in subsidiary corporations are carried at cost amounting to US$520,337,000 (2021: US$520,337,000). Management has determined that no objective evidence or indication that the carrying amounts of the investments in subsidiary corporations may not be recoverable as at 31 march 2022, accordingly impairment assessment is not required.

As disclosed in Notes 16 and 25 to the financial statements, the amounts due from subsidiary corporations and immediate and ultimate holding corporation amounting to US$249,525,000 and US$1,704,000 (2021: US$161,318,000 and US$126,000) 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 position of subsidiary corporations and immediate and ultimate holding corporation as well as other information made available to us, we are 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 2022. Consequently, we are unable to determine whether any adjustments in respect of the carrying amounts of investment in subsidiary corporations and amount due to subsidiary corporations and the immediate and ultimate holding corporation as at 31 March 2022 are necessary".

The above Disclaimer conclusion indicating 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, Singapore and its Subsidiary Corporations" which is material to the Group, also cast a 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.

We refer to "Material uncertainty related to Going Concern" and "Emphasis of Matter Paragraph" in our Independent Auditor's Report on the Standalone financial statements of "ABAN OFFSHORE LIMITED" for the year ended 31st March 2022, which is reproduced below :

➢ " Material uncertainty related to going Concern

We draw attention to Note-41 to the Standalone financial results - "the Company" has accumulated losses on account of which the net worth is eroded and also, current liabilities exceeded current assets and the company has defaulted in respect of instalments and payment of interest on term loans these indicate that material uncertainty exists that may cast a 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 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

i. As disclosed in note 42 to the Standalone financial statements, the COVID -19 the Company faced operational disruptions on some of the offshore rigs during the year 2021-22 and operations were restored within reasonable time with no significant impact on the financial performance. The Management believes that it has taken into account all the possible impact of the COVID-19 pandemic in preparation of the financial statements. The Management believes that the pandemic is not expected to have any significant impact on the financial performance and operating environment of the Company in financial year 2022-23.

Our opinion is not modified in respect of this matter.

Responsibility of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these "Consolidated Ind AS 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 Ind AS 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" are responsible for overseeing the financial reporting process of "the Group".

Auditor's Responsibility for the audit of the Consolidated Ind AS Financial Statements

Our responsibility is to conduct an audit of "the Group's" "consolidated Ind AS 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 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 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 IND AS 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) The financial statements of **Aban Energies Limited, Chennai, India,** an Indian subsidiary of the Holding company are audited by other Auditors which reflects the total assets of Rs.2.42 million as at 31st March, 2022 and total revenue of Rs. 12.80 million for the year then ended.

(b) The financial statements of **Aban Holdings Pte Limited, Singapore and its Subsidiary Corporations**, whose consolidated financial statements have been audited by other auditors reflect total assets of Rs.22865.40 million as at 31st March 2022, total revenue of Rs.6023.48 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 Rs.3.35 million as at 31st March, 2022 and total revenue of Rs. Nil for the year then ended.

(c) The above financial informations /financial statements have been furnished by the management and our opinion on the consolidated financial statements in respect of these subsidiaries 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 afore said Subsidiaries and Subsidiary Corporations is solely based on reports of the other auditors.

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 auditors.

Report on Other Legal and Regulatory Requirements

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 Ind AS financial statements".

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid "consolidated Ind AS financial statements" have been kept so far as it appears from our examination of those books and the reports of the other auditors.

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 Ind AS financial statements".

d) In our opinion, the aforesaid "Consolidated Ind AS 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, 2022, and taken on record by the Board of Directors of the Holding Company and as per the audit report of other auditors 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, 2022, 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 A'; 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 P. Murali& Co.,
Chartered Accountants
Firm Registration No: 007257S

A Krishna Rao
Partner
Membership No.020085
UDIN: 22020085AKTPIG6599

Date: 26.05.2022
Place: Chennai

ANNEXURE 'A'

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 Ind AS financial statements" of "the Group" as of and for the year ended 31st March 2022, 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 2022, 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.

Other Matters

Our aforesaid report under section 143(3)(i) of the companies Act,2013 on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the Indian subsidiary Company is based on the audit reports of the other auditors.

For P. Murali& Co.,
Chartered Accountants
Firm Registration No: 007257S

A Krishna Rao
Partner
Membership No.020085
UDIN: 22020085AKTPIG6599

Date: 26.05.2022
Place: Chennai

Consolidated Balance Sheet As at 31st March 2022

Particulars	Notes	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs. millions
ASSETS			
Non-Current Assets			
Property,Plant and Equipment	5(a)	3,685.41	28,654.61
Intangible assets	5(b)	3,357.22	3,256.49
Non-current assets held- for- Sale	5(c)	11,789.22	766.27
Financial Assets			
(i) Investments	6(a)	226.40	234.21
(ii) Loans	6(c)	294.39	299.91
(iii) Other financial assets	6(f)	214.30	219.10
Deferred tax asset	12	579.37	633.19
Total-Non-current assets		**20,146.31**	**34,063.78**
Current assets			
Inventories	8	1,963.57	2,897.56
Financial Assets			
(ii) Trade receivables	6(b)	4,181.59	5,382.84
(ii) Cash and cash equivalents	6(d)	864.45	722.45
(iii)Other Bank balances	6(e)	14.58	18.23
(iv) Loans	6(c)	587.51	1,341.70
(v) Other financial assets	6(f)	1,877.20	1,719.16
Other current assets	7	48.77	47.11
Total-current assets		**9,537.67**	**12,129.05**
Total- Assets		**29,683.98**	**46,192.83**
EQUITY AND LIABILITIES			
Equity			
(i) Equity Share Capital	9(a)	116.73	116.73
(ii) Other Equity	9(b)	(1,95,241.53)	(168344.26)
Equity attributable to shareholders of the Company		**(1,95,124.80)**	**(168227.53)**
Non-controlling interests		**-**	**-**
Total-Equity		**(1,95,124.80)**	**(168227.53)**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
(i) Borrowings	10(a)	-	680.38
Employee benefit obligations	11	0.81	11.58
Total-Non-Current Liabilities		**0.81**	**691.96**
Current liabilities			
Financial Liabilities			
(i) Borrowings	10(b)	-	123.42
(ii) Trade payables	13		
a) Dues of Micro and Small Enterprises			
b) Dues of Creditors other than Micro and Small Enterprises		3,369.78	6,054.72
(iii) Other financial liabilities	10(c)	2,21,329.68	2,07,427.02
Employee benefit obligations	11	0.47	4.73
Other current liabilities	14	108.04	118.51
Current tax liabilities (Net)		**-**	**-**
Total-Current Liabilities		**2,24,807.97**	**2,13,728.40**
Total-Liabilities		**2,24,808.78**	**2,14,420.36**
Total-Equity and Liabilities		**29,683.98**	**46,192.83**
Summary of significant accounting policies	3.1		

The accompanying notes 1 to 42 are an integral part of the financial statements

As per our report of even date
For P.Murali & Co
Chartered Accountants
ICAI-Registration No.007257S

For and on behalf of the Board

A Krishna Rao
Partner
Membership No.020085
Place: Chennai
Date: May 26, 2022

Reji Abraham
Managing Director

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

P.Venkateswaran
Director

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

Consolidated Statement of Profit and Loss for the year ended 31st March 2022

Particulars	Notes	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs. millions
Continuing Operations			
Income			
Revenue from operations	15	5,983.40	10,694.69
Other income	16	149.52	2,235.75
Total Income		**6,132.92**	**12,930.44**
Expenses			
Consumption of stores,spares,power and fuel	17	886.04	1,679.04
Employee benefits expense	18	1,609.92	2,325.00
Finance Costs	19	10,966.34	11,057.10
Depreciation and amortization expense	20	1,448.64	1,949.90
Impairment / Write Off of Receivables	21	82.85	5,531.09
Impairment loss of property, plant and equipment	22	10,174.22	5,870.20
Inventory write-down	8	670.19	1,198.44
Other expenses	23	2,365.61	3,577.71
Total expenses		**28,203.81**	**33,188.48**
Loss before exceptional items and tax		**(22,070.89)**	**(20,258.04)**
Add : Exceptional items (Note : 40)		541.13	332.64
Loss before tax before share in earnings of associate		(21,529.76)	(19,925.40)
Share of profit/(loss) of associate		(11.02)	3.09
Loss before tax from continuing operations		**(21,540.78)**	**(19,922.31)**
Tax expense			
Current tax		176.18	30.31
Deferred tax		53.82	(227.32)
Total tax expense		**230.00**	**(197.01)**
Loss for the year after tax from continuing operations		(21,770.78)	(19,725.30)
Discontinued Operations			
Profit before tax from discontinued operations		-	-
Tax income/(expense) of discontinued operations		-	-
Profit/(loss) for the year from discontinued operations		-	-
Loss for the year		**(21,770.78)**	**(19,725.30)**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Exchange differences on translation of foreign operations		(5,130.03)	4,712.30
B (i) Items that will be reclassified to profit or loss Net gain/ (loss)on FVTOCI non current investments		-	-
Expected return on Plan assets & Net Actuarial gain/ (loss) recognised - Employee Benefits		3.54	(7.56)
Other Comprehensive Income for the year,net of tax		**(5,126.49)**	**4,704.74**
Total Comprehensive Income for the year		**(26,897.27)**	**(15,020.56)**
Loss attributable to:			
Owners of the entity		(26,897.27)	(15,020.56)
Non-controlling interest		-	-

Particulars	Notes	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs. millions
Other comprehensive income attributable to:			
Owners of the entity		-	-
Non-controlling interest		-	-
Total comprehensive income attributable to:			
Owners of the entity		(26,897.27)	(15,020.56)
Non-controlling interest		-	-
Total comprehensive income attributable to owners:			
Continuing operations		(26,897.27)	(15,020.56)
Discontinued operations		-	-
Earnings per equity share for profit from continuing operations attributable to owners of the entity			
Basic earnings per share		(373.04)	(337.99)
Diluted earnings per share		(373.04)	(337.99)
Earnings per equity share for profit from discontinued operations attributable to owners of the entity			
Basic earnings per share		-	-
Diluted earnings per share		-	-
Earnings per equity share from continuing and discontinued operations attributable to owners of the entity			
Basic earnings per share		(373.04)	(337.99)
Diluted earnings per share		(373.04)	(337.99)
Summary of significant accounting policies	3.1		

The accompanying notes 1 to 42 are an integral part of the financial statements

As per our report of even date
For P.Murali & Co
Chartered Accountants
ICAI-Registration No.007257S

For and on behalf of the Board

A Krishna Rao
Partner
Membership No.020085

Reji Abraham
Managing Director

P.Venkateswaran
Director

Place: Chennai
Date: May 26, 2022

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 2022

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs. millions
Cash Flow from operating activities		
Loss including Exchange differences on translation of foreign operations before tax from continuing Operations	(26,667.27)	(15,217.58)
Profit before tax from discontinuing Operations	-	-
Loss before tax	**(26,667.27)**	(15,217.58)
Non cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization on continuing operations	1,448.64	1,949.90
Impairment/other write off on tangible assets to continuing operations	10,174.22	5,870.20
Loss/(profit) on sale of fixed assets	(2.09)	(0.13)
Provision for Employee Benefits	3.42	3.44
Inventory write-down	670.19	1,198.44
Bad Debts Written off/Impairment of receivables	82.85	5,531.09
Unrealized foreign exchange loss/(gain)	126.82	60.83
Provision no longer required written back	(19.64)	(1,920.12)
Interest on borrowings and dividend on redeemable preference shares	10,966.34	11,057.10
Interest income	(44.46)	(53.97)
Exceptional items	(541.13)	(332.64)
Operating profit before working capital changes	**(3,802.09)**	**8,146.56**
Movements in working capital:		
Increase/(Decrease) in trade payables	(2,689.55)	(1,346.22)
Increase/(Decrease) in other current liabilites	304.48	363.86
Decrease/(Increase) in trade receivables	1,162.42	(175.88)
Decrease/(Increase) in inventories	263.80	518.17
Decrease/(Increase) in other non current financial assets/other assets	10.32	4.64
Decrease/(Increase) in other current financial assets/other assets	472.59	(704.09)
Cash generated from(used in) operations	(4,278.03)	6,807.04
Direct taxes paid (net of refunds)	(59.03)	(16.85)
Net cash flow from /(used in) operating activities (A)	**(4,337.06)**	**6,790.19**

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs. millions
Cash Flow from investing activities		
Purchase of fixed assets including Intangible Assets net of exchange difference on translation #	(8.90)	(973.51)
Exchange difference on translation of fixed assets including Intangible Assets of Foreign Subsidiaries	(1,112.95)	1,034.34
Capital advances	-	(1.14)
Proceed from sale of fixed assets/Intangible assets	3,142.45	-
Interest received	43.76	52.96
Net cash flow from /(used in) investing activities (B)	**2,064.36**	**112.65**
Cash Flow from financing activities		
Proceeds from long term borrowings #	657.89	(4,507.06)
Repayment of short term borrowings	417.71	(88.84)
Interest paid/Effect of translation of interest on Foreign Currency Loans	1,458.85	(1,608.45)
Net cash used in financing activities (C)	**2,534.45**	**(6,204.35)**
Net increase /(decrease) in cash and cash equivalents (A+B+C)	261.75	698.49
Effect of exchange differences on cash and cash equivalents held in foreign currency	0.02	0.16
Cash and cash equivalents at the beginning of the year	617.26	(81.39)
Cash and cash equivalents at the end of the year	**879.03**	**617.26**
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 2022	**31st March 2021**
Cash and cash equivalents (note 6 (d) & (e)) *	879.03	740.68
Cash credit from banks (secured) (note 10(b))	-	(123.42)
Balances per statement of cash flows	**879.03**	**617.26**
* Includes Restricted Cash balance - unpaid dividend liability	8.79	17.59
# Due to exchange differences on translation.		

As per our report of even date
For P.Murali & Co
Chartered Accountants
ICAI-Registration No.007257S

A Krishna Rao
Partner
Membership No.020085

Place: Chennai
Date: May 26, 2022

For and on behalf of the Board

Reji Abraham
Managing Director

P.Venkateswaran
Director

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

b. Other Equity **Rs. Millions**

	Notes	Money received against share warrants	Equity component of compound financial instruments	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 2020		-	-	0.03	17,800.78	52.40	2,810.00	1,479.72	(1,65,725.59)	(0.55)	(9,768.69)	28.20	(1,53,323.70)
Profit for the year		-	-	-	-	-	-	-	(19,725.30)				(19,725.30)
Total Comprehensive Income for the year		-	-	-	-	-	-	-	-	-	4,712.30	(7.56)	4,704.74
Dividends		-	-	-	-	-	-	-	-				-
Transfer to Capital redemption reserve		-	-	-	-	-	-	-	-				-
Excess of right to use asset expenses over Lease Rental income		-	-	-	-	-	-	-	-				-
Balance at 31st March 2021		**-**	**-**	**0.03**	**17,800.78**	**52.40**	**2,810.00**	**1,479.72**	**(1,85,450.89)**	**(0.55)**	**(5,056.39)**	**20.64**	**(1,68,344.26)**

	Notes	Money received against share warrants	Equity component of compound financial instruments	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	1,479.72	(1,85,450.89)	(0.55)	(5,056.39)	20.64	(168344.26)
Profit 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**	**1,479.72**	**(2,07,221.67)**	**(0.55)**	**(10,186.42)**	**24.18**	**(195241.53)**

As per our report of even date

For P.Murali & Co
Chartered Accountants
ICAI-Registration No.007257S

A Krishna Rao
Partner
Membership No.020085

Place: Chennai
Date: May 26, 2022

For and on behalf of the Board

Reji Abraham
Managing Director

P.Venkateswaran
Director

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 2022

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 20 subsidiaries and three associates 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.

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.

Intra Company 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 of..

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2022

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. 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 Materiality

Each material class of similar items has been presented separately in these Consolidated Financial Statements.

V 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.

VI 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.

VII 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.

VIII Functional and Presentation Currency

IndAS 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.

IX 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.

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2022

X Non Current Assets held for sale

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.

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. In case of replacement of one part, the new part is capitalised to the extent that it meets the recognition criteria of an asset, and the carrying amount of the parts replaced is derecognized.

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 Group 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.

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.

XIV 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.

XV 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.

XVI 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.

XVII 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 Superannuation Scheme/National Pension System which is defined contribution retirement plan is made annually at predetermined rate to insurance companies/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.

Provision for leave encashment is based on actuarial valuation carried out by an independent actuary at the Balance Sheet date.

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

Such 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

The company does not have any derivatives instruments during the period April 1, 2021 to March 31, 2022.

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. 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.

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.

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.

XXV 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.

XXVI 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.

XXVII 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 and classified as Operating Lease, Income from Operating Lease is recognized in the Profit and Loss over the Lease tenure.

The Company as a Lessee:

At the inception of Contract, the company assesses if the Contract contains a lease. A Contract contains a lease if the contract convey the right to control the use of an identified asset for a period of time in exchange for Consideration.

Reassessment is only required when the terms and conditions of the contract are changed.

There is no externally imposed Covenants on these lease arrangements.

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.

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 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.

Derivative financial instruments and hedge accounting

The Company has not entered into any derivative or hedging transactions.

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 2022

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 2022 (audited)	Indian Rupee
2	Aban Holdings Pte Ltd	Singapore	100%	31st March 2022 (audited)	US Dollars
3	Aban Singapore Pte Ltd	Singapore	(a)	31st March 2022 (audited)	US Dollars
4	Aban International Norway AS	Norway	(b)	31st March 2022 (audited)	US Dollars
5	Aban 7 Pte Ltd	Singapore	(b)	31st March 2022 (audited)	US Dollars
6	Aban 8 Pte Ltd	Singapore	(b)	31st March 2022 (audited)	US Dollars
7	Aban Abraham Pte Ltd	Singapore	(b)	31st March 2022 (audited)	US Dollars
8	Aban Pearl Pte Ltd	Singapore	(b)	31st March 2022 (audited)	US Dollars
9	Deep Drilling Invest Pte Ltd	Singapore	(c)	31st March 2022 (audited)	US Dollars
10	Deep Drilling 1 Pte Ltd	Singapore	(d)	31st March 2022 (audited)	US Dollars
11	Deep Drilling 2 Pte Ltd	Singapore	(d)	31st March 2022 (audited)	US Dollars
12	Deep Drilling 3 Pte Ltd	Singapore	(d)	31st March 2022 (audited)	US Dollars
13	Deep Drilling 4 Pte Ltd	Singapore	(d)	31st March 2022 (audited)	US Dollars
14	Deep Drilling 5 Pte Ltd	Singapore	(d)	31st March 2022 (audited)	US Dollars
15	Deep Drilling 6 Pte Ltd	Singapore	(d)	31st March 2022 (audited)	US Dollars
16	Deep Drilling 7 Pte Ltd	Singapore	(d)	31st March 2022 (audited)	US Dollars
17	Deep Drilling 8 Pte Ltd	Singapore	(d)	31st March 2022 (audited)	US Dollars
18	Deep Driller Mexico S de RL de CV, Mexico	Mexico	(b)	31st March 2022 (not required to be audited)	US Dollars
19	Aban Labuan Pvt Limited	Labuan,Malaysia	(b)	31st March 2022 (audited)	US Dollars
20	Caldera Petroleum (UK) Ltd	United Kingdom	(b)	31st March 2022 (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 subsidiaries of Deep Drilling Invest Pte Ltd

Besides the above, the financials of Belati Oilfield Sdn Bhd, Malaysia, an associate company with 49% interest held by Aban Singapore Pte Ltd, the financials of Aban Hydrocarbons Ptd Ltd, Singapore,an associate company with 50.25% interest held by Aban Singapore Pte Ltd, have been considered in the consolidated accounts of Aban Holdings Pte Ltd under Equity method of accounting.

On 21 May 2021, the Company has commenced the striking off application of its associate company, Aban Hydrocarbons Pte Ltd . The transaction is not expected to have any material impact to the Group for the next financial year.

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.

Events occurring after balance sheet date

The Company has sold 2 offshore Jack Up Rigs viz Aban V and Aban VI on 12th May 2022 pursuant to the Sale and Purchase agreements for such rigs during the financial year ended 31st March 2022.

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2022

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 2021										
Gross Carrying amount										
Opening gross carrying amount	128.56	109.86	1,57,006.79	43,934.01	4.08	70.82	79.93	38.29	34.31	2,01,406.66
Additions	-	-	717.29	1.15	-	-	0.48	-	4.93	723.84
Disposals	-	-	-	-	-	-	-	-	(3.70)	(3.70)
Impairment charge	-	-	-	-	-	-	-	-	-	-
-Exchange differences	-	-	(5,663.49)	(1,223.10)	-	-	(6.22)	-	(0.83)	(6,893.64)
Assets Re-classified as Assets Held for Sale	-	-	(4,923.75)	(7,895.87)	-	-	-	-	-	(12,819.62)
Closing Gross Carrying amount	**128.56**	**109.86**	**147136.84**	**34816.18**	**4.08**	**70.82**	**74.19**	**38.29**	**34.71**	**1,82,413.54**
Accumulated Depreciation										
Opening accumulated depreciation	-	14.83	1,26,135.09	37,700.94	-	41.68	50.01	3.96	22.16	1,63,968.67
Depreciation charged during the year	-	2.43	1,757.90	182.07	-	-	4.63	-	2.88	1,949.90
Disposals	-	-	-	-	-	-	-	-	(3.58)	(3.58)
Impairment charge	-	-	5032.85	837.35	-	-	-	-	-	5,870.21
-Exchange differences	-	-	(4,735.38)	(1230.75)	-	-	(5.96)	-	(0.81)	(5,972.91)
Assets Re-classified as Assets Held for Sale	-	-	(4644.09)	(7409.26)	-	-	-	-	-	(12,053.35)
Closing Accumulated Depreciation	**-**	**17.26**	**123546.36**	**30080.35**	**-**	**41.68**	**48.68**	**3.96**	**20.65**	**153758.94**
Net Carrying amount	**128.56**	**92.61**	**23590.48**	**4735.83**	**4.08**	**29.14**	**25.51**	**34.34**	**14.06**	**28654.60**

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Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2022

	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	147136.84	34816.18	4.08	70.82	74.19	38.29	34.71	1,82,413.54
Additions	-	-	6.69	-	-	-	0.80	-	2.55	10.05
Disposals	-	-	(31,820.35)	-	-	-	-	-	(1.82)	(31822.17)
Impairment charge	-	-	-	-	-		-	-	-	-
-Exchange differences	-	-	4,935.13	1,228.54	-	-	(59.29)	(36.18)	0.83	6069.03
Assets Re-classified as Assets Held for Sale	-	-	(77,789.13)	(36,044.72)	-	-	-	-	-	(1,13,833.85)
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	1,23,546.36	30,080.35	-	41.68	48.68	3.96	20.65	1,53,758.93
Depreciation charged during the year	-	2.43	1,438.18	4.18	-	-	0.89	-	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	-	-	3993.37	1308.57	-	-	(39.44)	(3.11)	0.84	5260.22
Assets Re-classified as Assets Held for Sale	-	-	(67,019.09)	(35,686.31)	-	-	-	-	-	(1,02,705.39)
Closing Accumulated Depreciation	**-**	**19.68**	**39,056.41**	**-**	**-**	**41.68**	**10.13**	**0.85**	**22.44**	**39151.20**
Net Carrying amount	**128.56**	**90.18**	**3,412.77**	**-**	**4.08**	**29.14**	**5.58**	**1.27**	**13.85**	**3,685.41**

Bank borrowings and Bonds are secured by rigs of the parent company and its foreign subsidiaries with carrying amounts of Rs 15,105.86 Million and freehold lands of parent company with amounts of Rs 128.56 Million as at the Balance sheet date. [(note: 10(a))].

An impairment charge of Rs. 10,174.22 million (Previous Year: Rs.5,870.20 million) is recognized for the financial year ended 31st March 2022 as the carrying amount of the rigs exceeded its estimated value in use which is mainly due to the current slump in the oil and gas industry.

5(b) Intangible assets

Rs.millions

	Goodwill	Licence / E&E assets	Total
At 1st April 2020	-	3,086.82	3,086.82
Additions	-	261.89	261.89
Disposals			0.00
Impairment charge	-	-	0.00
-Exchange differences	-	(92.22)	(92.22)
-Borrowing costs	-	-	-
At 31st March 2021	**-**	**3,256.49**	**3,256.49**
Cost			
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**
		31st March 2022	31st March 2021
Representing		**Licence / E&E assets**	**Licence / E&E assets**
Farm-out Interest		2,517.94	2,442.37
Retained Interest		839.29	814.12
		3,357.22	**3,256.49**

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 15/13b 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.77.19 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 proceeds with the development of the project either due to changed in market dynamics or inability to raise equity and loans.

As at the balance sheet date, the Group has not received the sale consideration. In accordance with the accounting policy described in Note XII(c) to the financial statements, the gain on disposal will be recognise in the statement of comprehensive income when the consideration is received.

5(c) 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. 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 2021-22, the Parent Company entered into binding sale and purchase agreements(SPA) for sale of 2 offshore jack-up rigs. As on 31st March 2022 the sale isn't completed pending completion of certain formalities. On the basis of the sale price as per the SPA, the carrying value of these rigs have been further impaired to the extent of Rs.105.51 million

In respect of the offshore jack-up rigs and drillship owned by the step-down subsidiaries of the wholly owned foreign subsidiary (WOS), the Board of Directors and the Shareholders of the Company approved sale of 8 offshore jack up rigs and a drillship after considering the discussions between the WOS and consortium lenders for sale of such rigs owned by the step-down subsidiaries of the WOS. Out of the above 9 offshore assets, sale of 3 offshore jack up rigs have been completed during 2021-22 and the WOS and its step-down subsidiaries have entered into binding sale and purchase agreements for sale of 5 offshore jack up rigs and a drillship. The sale of these 6 assets are highly probable and expected to be completed within one year:

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 2022 as under:

Class of Assets	As at 31st March 2022 Rs. Millions	As at 31st March 2021 Rs. Millions
Offshore Jack-up Rigs	10,944.20	279.66
Drillships	845.02	486.61
Total	11,789.22	766.27

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2022

6 (a). Non-current investments

	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs. millions
Trade Investment (valued at cost unless stated otherwise)		
Investment in joint ventures/associates		
0.05 million(31st March 2021: 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 2021:Rs.4.99 million))	-	-
0.17 million (31st March 2021 : 0.17 million) equity shares of MYR 1 each in Belati Oilfield Sdn Bhd [(Note 29(b))]	99.86	107.67
Investments in associates-Aban Drilling Services Private Limited 0.00 million (31st March 2021 : 0.00 million) equity shares of USD 1 each in Aban Hydrocarbons Pte Ltd [(Note 29(c))]	0.05	0.05
Other Investments		
0.3 million (31st March 2021: 0.3 million) equity shares of Rs.10 each fully paid in Aban Informatics Private Limited	19.85	19.85
0.015 million (15% holding) (31st March 2021:0.015 million) equity shares of Rs.10 each fully paid in Radhapuram Wintech Private Limited	0.15	0.15
4.011 million (31st March 2021 :4.011 million)10% Non Cumulative Redeemable Preference shares of Rs 10 each fully paid in Radhapuram Wintech Private Limited	40.11	40.11
0.025 million (15% holding) (31st March 2021:0.025 million) equity shares of Rs.10 each fully paid in Aban Green Power Private Limited	0.25	0.25
6.613 million (31st March 2021:6.613 million)10% Non Cumulative Redeemable Preference shares of Rs 10 each fully paid in Aban Green Power Private Limited	66.13	66.13
	226.40	**234.21**
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	226.40	234.21
Aggregate provision for dimunition in value of investments	5.18	5.18

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2022

6(b) Trade receivables

	Non-current		Current	
	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Unsecured, considered good unless stated otherwise				
Unsecured, considered good	-	-	4,181.59	5,382.84
Doubtful	-	-	6,131.54	5,813.07
	-	-	10,313.13	11,195.91
Less: Credit Loss allowance	-	-	(6,131.54)	(5,813.07)
Total (A)	**-**	**-**	**4,181.59**	**5,382.84**

i) 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 bank deposits, the Company maintains its deposits primarily with banks with high credit quality.

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 2022 INR millions	31st March 2021 INR Millions
By geographical areas		
Asia	4,181.59	5,382.84

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:

	2022 INR millions	2021 INR Millions
Beginning of the financial year	5,813.07	1,577.97
Loss allowance recognised in Statement of profit and loss account during the financial year	82.85	4,344.26
Loss allowance recognised in Other Comprehensive income in Statement of profit and loss account during the financial year	235.62	(109.16)
End of the financial year	**6,131.54**	**5,813.07**

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2022

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.

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 Company considers a financial asset as in default if the counterparty fails to make contractual payments within 180 days when they fall due, and writes off the financial asset after attempted all enforcement activity to recover the receivables due. 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 2022 and 2021 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 2022					
Trade receivables	595.55	338.34	17.85	9,361.39	10,313.13
Loss allowance	-	-	-	(6,131.54)	(6,131.54)
31 March 2021					
Trade receivables	1,999.47	569.16	120.18	8,507.10	11,195.91
Loss allowance	-	-	-	(5,813.07)	(5,813.07)

Cash and cash equivalents, other receivables, are considered to have low risk of default. The balances are measured on 12-month expected credit losses. The credit loss ,if any, is immaterial.

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	951.73	72.41	54.88	-	2,847.91	3,926.93
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	6,131.54	6,131.54
					(6,131.54)	(6,131.54)
(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 2022 Rs. millions	As at 31st March 2021 Rs.millions	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Loans and advances to related parties				
Unsecured, considered good	-	-	-	6.94
	-	-	-	6.94
Advances recoverable in cash or kind				
Secured considered good	-	-	-	-
Unsecured considered good	282.03	282.02	572.19	1,315.72
Doubtful	-	-	-	-
	282.03	282.02	572.19	1,315.72
Provision for doubtful advances	-	-	-	-
	282.03	282.02	572.19	1,315.72
Loans to employees	12.36	17.89	15.32	19.04
	294.39	**299.91**	**587.51**	**1,341.70**

6(d). Cash and cash equivalents

	Non-current		Current	
	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Cash and cash equivalents				
Balances with banks:				
- On current accounts	-	-	862.90	721.24
-- Deposits with original maturity of less than three months	-	-	-	-
Cash on hand	-	-	1.55	1.21
	-	**-**	**864.45**	**722.45**

6(e). Other bank balances

	Non-current		Current	
	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
On unpaid dividend account	-	-	4.04	7.83
-Deposits with original maturity for more than 12 months	11.83	11.56	-	-
- Margin money deposit	-	-	10.54	10.40
	11.83	11.56	14.58	18.23
Amount disclosed under other financial assets {(See note 4(f)}	**(11.83)**	**(11.56)**	-	-

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2022

6(f). Other financial assets

	Long Term		Short Term	
	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Security deposit				
Secured, considered good	-	-	-	-
Unsecured, considered good	6.99	14.63	723.14	782.57
Doubtful	-	-	-	-
	6.99	14.63	723.14	782.57
Provision for doubtful security deposit	-	-	-	-
	6.99	**14.63**	**723.14**	**782.57**
Prepaid expenses	-	-	-	-
Balances with statutory/government authorities	195.17	192.61	505.39	163.73
Non current bank balances [Note 6 (e)]	11.83	11.56	-	-
Other loans and advances				
Advance income-tax(net of provision for taxation)	0.32	0.30	487.74	604.88
MAT credit entitlement account	-	-	-	-
Input Tax Credit GST (Net of GST Liabilities)	-	-	160.93	167.98
	214.30	**219.10**	**1,877.20**	**1,719.16**

7. Other assets

	Non-current		Current	
	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Unsecured, considered good unless stated otherwise				
Non-current bank balances	-	-	-	-
(A)	**-**	**-**	**-**	**-**
Others				
Interest accrued on fixed deposits	-	-	2.70	2.01
Prepaid Expenses	-	-	46.07	43.95
Capital Advances	-	-	-	1.14
(B)	**-**	**-**	**48.77**	**47.11**
Total(A+B)	**-**	**-**	**48.77**	**47.11**

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2022

8. Inventories

	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Stores, Spares and Fuel	1,963.57	2,897.56
Total	**1,963.57**	**2,897.56**

The above include inventories on Assets held-for-sale amounting to Rs 793.33 Million (Previous year : Rs 444.60 Million). In addition the company recognised inventory write down amounting to Rs 670.19 Million (Previous year : Rs 1198.44 Million) in the statement of Profit and Loss for the year ended 31st March, 2022.

9(a). Equity Share capital

	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Authorised shares (No. millions)		
2,500 (31st March 2021: 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 2021: 36.88) equity shares of Rs.2/- each	73.75	73.75
0.85 (31st March 2021: 0.85) equity shares of Rs.2/- each issued against conversion of foreign currency convertible bonds	1.70	1.70
0.16 (31st March 2021: 0.16) equity shares of Rs.2/- each issued against employee stock option scheme	0.33	0.33
16.47 (31st March 2021: 16.47) equity shares of Rs.2/- each issued against qualified institutional placement	32.94	32.94
4.00 (31st March 2021:4.00) 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 2021: 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 2022		31st March 2021	
	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**

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 2022, the amount of per share dividend recognized as distributions to equity shareholders is Nil (31st March 2021: Nil).

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 2021:1.84 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 2021: 0.16 million equity shares of Rs.2 each)

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

	31st March 2022		31st March 2021	
	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.

Details of Shareholders of Promoters

	31st March 2022		31st March 2021	
	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%**

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2022

9 (b). Other equity

	As at 31st March 2022 Rs. millions	As at 31st March 2021 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	(5,056.39)	(9,768.69)
Movements during the year	(5,130.03)	4,712.30
	(10186.42)	**(5,056.39)**
Surplus/(deficit) in the statement of profit and loss		
Balance as per last financial statements	(1,85,430.80)	(1,65,697.94)
Profit/(Loss) for the year	(21,770.78)	(19,725.30)
Net gain/(loss) on fair value through OCI	(0.07)	(0.14)
Expected return on Plan assets & Net Actuarial gain/(loss) recognised during the year through OCI	3.61	(7.42)
Net Surplus/(deficit) in the statement of profit and loss	**(2,07,198.04)**	**(1,85,430.80)**
Total Other Equity	**(1,95,241.53)**	**(1,68,344.26)**

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2022

10 (a). Borrowings

	Non-current maturities		Current maturities	
	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Term loans				
Foreign currency term loans from banks (secured)	-	-	1,48,321.14	1,46,880.84
Rupee term loans from banks (secured)	-	-	1,163.87	1,163.87
Rupee term loans from banks (unsecured)	-	-	191.92	191.92
Other loans				
Bonds	-	680.38	-	-
Redeemable Prefence Shares(unsecured)	-	-	2,810.00	2,810.00
	-	**680.38**	**1,52,486.93**	**1,51,046.63**
The above amount includes				
Secured borrowings	-	680.38	1,49,485.01	1,48,044.71
Unsecured borrowings	-	-	3,001.92	3,001.92
Amount disclosed under the head "Other financial liabilities" {**Note 10 (c)**}	-	-	(1,52,486.93)	(1,51,046.63)
	-	**680.38**	**-**	**-**

Rs in M illions

S no	Particulars	Maturity Date	Terms of repayment	Coupon/ Interest rate	As at 31st March 2022	As at 31st March 2021
a	Term loans from banks	2017-2018	Loans recalled and Payable on demand	Varies from bank to bank	1,44,890.16	1,43,552.80
b	Bond Loans	2020-2021	Bullet Payment	15% p.a.	-	680.38
c	Term loans from banks	2017-2018	Loans recalled and Payable on demand	6 months LIBOR + 6% to 13% p.a.	4,594.86	4,491.91
d	Rupee term loans from banks	2017-2018	Loans recalled and Payable on demand	14% to 15% p.a	191.92	191.92
e	Redeemable Preference shares	2014-2016	Overdue for Payment	12% p.a.	2,810.00	2,810.00
	Total Borrowings				**1,52,486.93**	**1,51,727.00**
	Less: Current maturities of long term debt				1,52,486.93	1,51,727.00
	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 are loans are being denominated in the books of each bank.

2 Loans under (b) above are secured by first charge on specific offshore drilling rig of the foreign subsidiary company

3 Loans under (c) 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.

4 Loans under (d) above are unsecured.

5 As per INDAS, Preference share capital is grouped under Borrowings

6 Since all term loans have been recalled by the lenders the entire term loans are classified as current liabilities as at 31st March, 2022.

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.

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 Bench for non-redemption of Non-Convertible Cumulative Redeemable Preference Shares. NCLAT has remitted the case back to National Company Law Tribunal ("NCLT"), Chennai for fresh consideration. Against this order, the Company have filed an appeal in Supreme Court. This appeal has been dismissed by Supreme Court.

10 (b) Current Borrowings

	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Cash Credit Facility from Banks (Secured)	-	123.42
See Note : 40 on exceptional items	-	-
	-	**123.42**
The above amount includes		
Secured borrowings	-	123.42
Unsecured borrowings	-	-
	-	**123.42**

Cash credit from banks is secured by way of hypothecation of inventory of stores and spares and book debts. Moreover, two offshore jack-up rigs of the company have been offered as a second charge for certain cash credit facilities. The cash credit is repayable on demand and carries interest @ 9% p.a. to 15.10% p.a.

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2022

10 (c) Other financial liabilities

	Non-current		Current	
	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Current maturities of long term borrowings {(note 10(a)}	-	-	1,52,486.93	1,51,046.63
Interest accrued and due on borrowings	-	-	66,212.10	54,083.15
Investor Education and Protection Fund will be	-	-	-	-
credited by following amounts (as and when due)	-	-	-	-
- Unclaimed dividends	-	-	4.04	7.83
Dividend accrued and due on redeemable preference share (including penalty)	-	-	2,280.74	1,943.54
Provision for tax on redeemable preference share dividend	-	-	345.87	345.87
	-	**-**	**2,21,329.68**	**2,07,427.02**

11. Employee benefit obligations

	Long- Term		Short-term	
	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Provision for employee benefits				
Provision for Provident Fund	-	-	0.43	0.42
Provision for Gratuity	-	5.82	-	3.86
Provision for Leave Encashment	0.81	5.77	0.04	0.45
	0.81	**11.58**	**0.47**	**4.73**

12 Deferred tax Assets

	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Deferred tax asset on timing differences		
On depreciation	579.37	633.19
	579.37	**633.19**

13 Trade payables

	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs.millions
Trade payables	**3,369.78**	**6,054.72**

Ageing for trade payables outstanding as at March 31, 2022 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	388.54	20.35	-	2,960.89	3,369.78
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
					3,369.78

14 Other Current liabilities

	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs. millions
Goods and Service Tax payable	104.56	113.49
Tax Deducted at Source payable	3.48	5.02
	108.04	**118.51**

15. Revenue from operations

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs. millions
Revenue from drilling and drilling related services	5,976.27	10,686.81
Revenue from wind power generation	7.12	7.88
	5,983.40	**10,694.69**

16. Other income

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
Rental income	6.06	7.20
Interest income on		
- Bank deposits	3.28	12.52
- Loan to Other Companies	-	0.27
- Inter Corporate Deposits	41.18	41.18
Net gain on sale of Tangible assets	2.09	0.13
Provision no longer required written back	19.64	1,920.12
Miscellaneous Income *	77.25	254.32
	149.52	**2,235.75**

* Includes insurance claim of Rs NIL Million (Previous Year : Rs 168.93 Million).

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2022

17. Consumption of Stores, Spares, power and Fuel

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
Consumption of stores and spares	667.62	1,553.40
Power and Fuel	218.43	125.64
	886.05	**1,679.04**

18. Employee Benefit Expense

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
Salaries,wages and bonus	1,576.33	2,267.57
Contribution to provident fund	4.84	10.93
Gratuity expense (note 27)	1.94	2.21
Post-employment pension benefits	5.80	13.36
Staff welfare expenses	20.99	30.91
	1,609.92	**2,325.00**

19. Finance costs

	Year ended 31st March 2021 Rs. millions	Year ended 31st March 2020 Rs.millions
Interest on borrowings	10,629.14	10,719.96
Dividend on Redeemable Preference Shares	337.20	337.14
	10,966.34	**11,057.10**

20. Depreciation and amortization expense

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
Depreciation on property,plant and equipment	1,448.64	1,949.90
	1,448.64	**1,949.90**

21. Impairment/Write off of Receivables

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
Impairment of Receivables	82.85	4,344.26
Bad Debts	-	1,186.83
	82.85	**5,531.09**

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2022

22. Impairment of Property, Plant and Equipment

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
Impairment of property, plant and equipment	10,174.22	5,870.20
	10,174.22	**5,870.20**

23. Other expenses

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
Freight and Forwarding Cost	4.66	13.98
Rent	25.69	29.39
Rates and taxes	64.99	6.99
Rental charges for Machinery	194.74	497.18
Insurance	196.20	303.26
Repairs and maintenance:		
-Plant and machinery	12.86	12.30
-Buildings	1.42	1.31
-Others	3.28	7.80
Drilling services and Management Fees	0.00	0.00
Advertising and sales promotion	0.48	1.42
Travelling ,conveyance and Transportation	340.09	417.08
Communication Costs	56.55	76.13
Printing and Stationery	0.90	1.22
Professional and Consultancy Expenses	925.64	1,104.15
Catering Expenses	156.70	278.19
Directors' Sitting Fees	1.52	1.05
As Auditor		
-Audit fee	39.18	29.49
-Tax audit fee	1.10	0.70
-Limited review	1.40	1.40
In other capacity		
-Taxation matters	-	0.40
-Company law matters	-	-
-Management services	-	-
-Other services (Certification Fees)	-	-
Reimbursement of Expenses	-	-
Exchange Difference(net)	127.05	114.51
Provision for doubtful debts and advances	-	0.02
Miscellaneous expenses	211.12	679.73
	2,365.61	**3,577.71**

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2022

24. 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 2022			31st March 2021		
	FVPL	FVOCI	Amortized Cost	FVPL	FVOCI	Amortized Cost
Financial Assets						
Investments- Equity Instruments	-	-	226.40	-	-	234.21
Trade Receivables	-	-	4,181.59	-	-	5,382.84
Loans	-	-	881.89	-	-	1,641.62
Cash and Bank Balances	-	-	879.03	-	-	740.68
Other Financial assets	-	-	2,091.50	-	-	1,938.25
Total	**-**	**-**	**8,260.41**	**-**	**-**	**9,937.61**
Financial Liabilities						
Borrowings & other financial liabilities	-	-	2,21,329.68	-	-	2,08,230.81
Trade payables	-	-	3,369.78	-	-	6,054.72
Total	**-**	**-**	**2,24,699.46**	**-**	**-**	**2,14,285.53**

The fair value FVOCI equity instruments have been derived from market prices of the quoted securities hence fall under level 1 hierarchy of fair valuation.

Fair value of financial assets and liabilities measured at amortised cost Rs. Millions

Particulars	31st March 2022		31st March 2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Non current financial assets				
Loans	294.39	294.39	299.91	299.91
Other financial assets	214.30	214.30	219.10	219.10
Total	**508.69**	**508.69**	**519.01**	**519.01**
Non current Financial Liabilities				
Borrowings	-	-	680.38	680.38
Total	**-**	**-**	**680.38**	**680.38**

25. 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.

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2022

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.

Trade and other Receivables

Rs. Millions

Currency	2021 - 2022	2020 - 2021
USD	2,475.15	2,991.98
EURO	259.58	266.85

- 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	2021 - 2022	2020 - 2021
USD	0.16	228.75
SGD	-	11.33
AED	0.31	11.36
EURO	-	19.38
GBP	0.53	19.38

- 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	2021 - 2022	2020 - 2021
USD	4,845.04	4,500.16

- Cash and cash equivalents held in foreign currency.

Cash & Cash equivalents

Rs. Millions

Currency	2021 - 2022	2020 - 2021
USD	3.96	0.26
AED	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.

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2022

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	2021-22		2020-21	
	Income Gain / (Loss)	Equity Gain / (Loss)	Income Gain / (Loss)	Equity Gain / (Loss)
5% appreciation of USD (2020: 5 %)	(118.50)	-	(86.85)	-
10% appreciation of Euro (2020: 10%)	25.96	-	24.75	-
5% appreciation of SGD (2020: 5%)	-	-	(0.57)	-
5% appreciation of AED (2020: 5%)	(0.02)	-	(0.57)	-

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 with the Group. Amounts due from subsidiary corporations are neither past due nor impaired.

(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	2021-22	2020-21
Past due upto 6 months	1,620.54	2,574.12
Past due over 6 months	2,561.05	2,886.80

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.

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.

The undiscounted cash flows will differ from both the carrying values and fair value. Cash flows in foreign currencies are translated using spot rates at the balance sheet date.

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	-	-	-	-	-
Bonds	-	-	-	-	-	-
Preference shares	5,090.74	-	-	-	-	-

As At 31/3/2021

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	2,02,319.77	-	-	-	-	-
Bonds	-	680.38	-	-	-	-
Preference shares	4,753.54	-	-	-	-	-

(The above analysis table does not include loans to be settled on demand)

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 Group and the Company continue to enjoy the use of funds from borrowings by

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2022

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	2021 - 2022	2020 - 2021
Total Equity	(1,95,124.80)	(1,68,227.53)
Borrowings	1,52,486.93	1,51,850.42

(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.

26. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
Loss for the year	(21,770.78)	(19,725.30)
	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)	(373.04)	(337.99)
Earning per share (diluted in Rs)	(373.04)	(337.99)

* 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 31.03.2022 and are ignored in the calculation of diluted earnings per share as required under the Accounting Standard.

27. 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 Superannuation Scheme / National Pension System (NPS), which is defined contribution retirement plan, is made annually at predetermined rate to Insurance Companies / Pension Funds which administer the fund and debited to the Statement of Profit and Loss

28. 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 INR 2/- each. Options granted during the year – Nil (upto 31st March 2021: 1.843 million equity shares of INR 2/- each). Options lapsed during the year – 0.397 million equity shares of INR 2/- each (upto 31st March 2021: 0.717 million equity shares of INR 2/- each). Options exercised during the year: Nil (upto 31st March 2021: 0.160 million equity shares of INR 2/- each). Options outstanding at the end of the year: 0.569 million equity shares of INR 2/- each (upto 31st March 2021: 0.966 million equity shares of INR 2/- each). Options yet to be granted under the scheme: Nil equity shares of INR 2/- each (31st March 2021: Nil million equity shares of INR 2/- each).

29. Interest in joint venture/associate

(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 2022	Proportion of ownership interest 31st March 2021
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%
Aban Hydrocarbons Pte Ltd	Singapore	Associate	50.25%	50.25%

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 wholly owned foreign subsidiary of the Parent Company, through its new incorporated 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 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
Assets-As at	1.67	154.89
Liabilities-As at	(98.42)	(47.00)
Revenue for the year ended	77.30	877.77
Net Profit for the year ended	(11.01)	3.21

(c) The company's share of the assets, liabilities, Revenue and Profit in the associate company –Aban Hydrocarbons Pte Ltd, based on the audited financial statements are as follows:

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
Assets-As at	-	0.38
Liabilities-As at	0.43	(0.79)
Revenue for the year ended	-	-
Net Profit for the year ended	-	(0.13)

Event occurring after balance sheet date

On 21 May 2021, the Company has commenced the striking off application of its associate company, Aban Hydrocarbons Pte Ltd . The transaction is not expected to have any material impact to the Group for the next financial year.

(d) The company's share of the assets, liabilities, Revenue and Profit in the associate company –Aban Drilling Services Pvt Ltd, based on the audited financial statements are as follows:

	Year ended 31st March 2022 Rs. millions	Year ended 31st March 2021 Rs.millions
Assets-As at	0.18	0.17
Liabilities-As at	0.06	0.07
Revenue for the year ended	-	-
Net Profit for the year ended	-	-

30. 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.

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2022

31. Related Party Disclosures

Names of related parties and related party relationship

Related parties where control exists

A. Associate Company of Aban Holdings Pte Ltd

Belati Oilfield Sdn Bhd, Malaysia

Aban Hydrocarbons Pte Ltd

B. Associate Company of Aban Offshore Ltd

Aban Drilling services Private Limited

C. Related parties with whom transactions have taken place during the year

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 2022 Rs. millions	Key Management Personnel/Relative 31st March 2021 Rs. millions
1. Rent paid	4.95	4.95
2. Remuneration - Net of Paid / (Recovery)	62.05	8.54

32. In view of the loss incurred by the Company during the financial year 2021-22, no managerial remuneration has been paid by the company.

33. Capital and other commitments

	31st March 2022 Rs. millions	31st March 2021 Rs. millions
Capital and Other commitments not provided for	-	1.14

34. Contingent liabilities

	As at 31st March 2022 Rs. millions	As at 31st March 2021 Rs. millions
(a) Guarantees given by banks on behalf of the company	630.37	611.46
(b) Corporate guarantees given by the parent company to customers on behalf of subsidiaries of company's wholly owned foreign subsidiary	-	-

(c) Claims against the company not acknowledged as debt:

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2022

As at 31st March 2022:

(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. 287.23 Million (Previous Year Rs. NIL)

(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. 371.30 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. 195.32 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 for verification

Income tax dues relating to the period 2010-2011 amounting to Rs. 1,117.10 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. 846.82 Million (Previous Year – Rs. 846.82 Million).Remitted back to the Deputy Commissioner by the Income tax Appellate Tribunal for verification.

Income tax dues relating to the period 2014-2015 amounting to Rs. 2.59 Million (Previous Year – Rs. NIL) 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 for verification.

Income tax dues relating to the period 2016-2017 amounting to Rs. 8.93 Million (Previous Year – Rs. NIL) 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 NIL) pending before the Deputy Commissioner of Income-tax, Chennai

Income tax dues relating to the Step Down Subsidiary for the period 2017-18 amount to 33.85 Million (Previous Year Rs. NIL Million) pending before the Income Tax Appellate Tribunal, Chennai.

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2022

(iv) In respect of Service Tax Matters:

Service Tax dues relating to the year 2011 amounting to Rs. 78.72 Million (Previous Year Rs. 78.72 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) pending before the CESTAT ,Mumbai.

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) pending before the CESTAT, Mumbai

Service Tax dues relating to the period 2009-2016 amounting to Rs.495.92 Million (Previous Year – Rs. 495.92 Million) Writ Petition pending before the Honorable High Court of Bombay.

Service Tax dues relating to the period 2017-2018 amounting to Rs. 49.96 Million (Previous Year – Rs. NIL) 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. NIL). The Company is in the process of filing an appeal before the Appellate Authority.

Service Tax dues relating to Step Down Foreign Subsidiary relating to the period 2016-2017 amounting to Rs.99.40 Million (Previous Year – Rs. 99.40 Million) Writ Petition pending before the Honorable High Court of Bombay.

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 Rs. 340.56 Million) pending before the CESTAT, Mumbai.

Service Tax dues relating to Step Down Foreign Subsidiary relating to the period 2012-2014 amounting to Rs.11.03 Million (Previous Year Rs.11.03 Million) pending before the CESTAT, Mumbai.

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2022

(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. Nil 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.NIL). Company is in the process of filing Writ Petition 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

35. 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.

36. 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 2022 Rs. millions	**31st March 2021 Rs. millions**
Within one year	13.58	23.38
After one year but not more than five years	-	12.03
More than five years	-	-
	13.58	**35.42**

Notes to Consolidated IND AS Financial Statements for the year ended 31st March 2022

37. COVID -19 Impact

The Company faced operational disruptions on some of the offshore rigs during the year 2021-22 that were restored within reasonable time with no significant impact on the financial performance. The Management believes that it has taken into account all the possible impact of the COVID-19 pandemic in preparation of the financial statements. The Management believes that the pandemic is not expected to have any significant impact on the financial performance and operating environment of the Company in financial year 2022-23.

38. 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	(14.21)	27,726.25	4.77	(1,037.66)
Subsidiaries				
Indian				
Aban Energies Limited	0.06	(115.08)	0.08	(18.42)
Foreign				
Aban Holdings Pte Ltd,Singapore	62.30	(121,564.52)	41.63	(9,063.36)
Aban Singapore Pte Ltd, Singapore	16.64	(32,471.22)	1.63	(354.57)
Aban Abraham Pte Ltd, Singapore	19.24	(37,547.19)	0.68	(147.97)
Aban 7 Pte Ltd,Singapore	5.69	(11,107.57)	0.16	(33.77)
Aban 8 Pte Ltd,Singapore	1.33	(2,590.27)	2.86	(622.27)
Aban Pearl Pte Ltd,Singapore	2.78	(5,432.52)	0.00	(1.07)
Aban International Norway AS, Norway	0.81	(1,575.12)	1.53	(332.24)
Aban Labuan Pvt Ltd, Malaysia	(0.00)	3.02	0.01	(1.14)
Deep Drilling Invest Pte Ltd, Singapore	(0.53)	1,039.82	(0.19)	41.62
Deep Drilling 1 PteLtd,Singapore	1.96	(3,816.22)	3.43	(747.14)
Deep Drilling 2 PteLtd,Singapore	(3.70)	7,220.18	9.15	(1,991.35)
Deep Drilling 3 PteLtd,Singapore	(3.34)	6,519.56	0.04	(9.22)
Deep Drilling 4 PteLtd,Singapore	(3.90)	7,613.27	8.66	(1,885.27)
Deep Drilling 5 PteLtd,Singapore	(1.33)	2,586.21	8.39	(1,827.28)
Deep Drilling 6 PteLtd,Singapore	5.09	(9,939.05)	6.83	(1,486.01)
Deep Drilling 7 PteLtd,Singapore	5.67	(11,063.89)	2.18	(474.93)
Deep Drilling 8 PteLtd,Singapore	4.18	(8,159.26)	8.08	(1,758.03)
Deep Driller Mexico S de RL De CV, Mexico	1.30	(2,535.99)	-	(0.42)
Caldera Petroleum (UK) Ltd	0.01	(23.89)	0.04	(9.29)
Minority Interest	-	-	-	-
Associates (Investment as per Equity Method)	(0.05)	99.66	0.05	(11.02)

39. Investment in Wholly owned foreign subsidiary

The management is in discussion with the lenders of the wholly owned foreign subsidiary to conclude on any re-negotiation, obtain replacement financing or raise funds through any fund raising exercises or any such proposal with the lenders as on the date of this report. Considering the long-term nature of investments and in view of the efforts of the Company to turnaround the position of the operating subsidiaries and raise funds through fund raising exercise and in the absence of the fair value assessment of the investments by an external expert, the management is not in position to assess the impact on the carrying cost of the investments in the wholly owned foreign subsidiary. .

40. Exceptional Items:

Exceptional Items represents waiver of working capital facility by banks under a one time settlement agreement with the company which has been duly discharged by the company.

41. 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. 26,897.27 Million (2021: Rs. 15,020.56 Million) for the financial year ended 31 March 2022, and as at that date, the Company is net current liabilities position of Rs. 215,270.34 Million (2021: Rs. 201,599.35 Million). The Company is also in net liabilities position of Rs. 195,124.80 Million (2021: Rs. 168,227.53 Million) as at 31 March 2022.

An impairment loss on the rigs amounting to Rs.10,174.22 Million (2021: Rs. 5,870.20 Million) was made during the financial year ended 31 March 2022 as disclosed in note 22. 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 2022 is still appropriate after taking into consideration of the above actions and measures.

42. Previous year figures

The Company has reclassified previous year figures to conform to this year's classification.

As per our report of even date

For P.Murali & Co

Chartered Accountants

ICAI-Registration No.007257S

For and on behalf of the Board

A Krishna Rao Partner Membership No.020085	**Reji Abraham** Managing Director	**P.Venkateswaran** Director
Place: Chennai Date: May 26, 2022	**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	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
	(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	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	36,993.64
Profit before Finance Cost , Tax, Depreciation, Amortisation & Impairment	**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**	**20,125.86**
Finance Cost	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	11,884.49
Depreciation/Exceptional Items/Amortisation/ Impairment	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	4,909.47
Exceptional items	541.13	332.64	-	-	-	-	-	-	-	-
Profit before Tax	**(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**	**3,331.90**
Tax	229.99	(197.01)	(4,281.14)	539.48	880.85	1,708.45	2,144.24	1,937.58	1,545.26	1,418.24
Profit after Tax	(21,529.77)	**(19,728.39)**	**(89,717.64)**	**(52,711.07)**	**(26,064.30)**	**(10,410.53)**	**(2,430.27)**	**5,404.60**	**3,912.29**	**1,913.66**
Minority Interest	-	-	-	-	-	-	-	-	-	-
Share of profit/(loss) of associate	(11.02)	3.09	(8.50)	(23.42)	(0.45)	2.20	20.05	44.82	18.36	25.07
Profit after Tax and Minority Interest	(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	1,938.73
BALANCE SHEET										
Non Current Assets (including Net Fixed Assets)	19,340.55	33,196.37	41,048.44	113,084.89	1,44,161.71	1,62,747.20	1,72,605.71	1,83,839.90	1,78,727.83	1,64,398.75
Investment	226.40	234.21	234.40	261.08	271.67	271.36	160.77	131.24	83.27	62.17
Net Current Assets	(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	5,231.26
Total Assets	**(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**	**1,69,692.18**
Share Holders Fund	(1,95,124.80)	(168,227.53)	(153,206.97)	(53,086.32)	186.81	26,354.67	36,933.84	57,011.02	41,662.53	32,837.28
Borrowings (including current maturities of long term borrowings)	1,52,486.93	151,727.00	156,336.56	142,488.75	1,35,595.00	1,38,024.26	1,44,883.48	1,40,596.57	1,45,608.81	1,36,467.37
Defferred Tax Liability/(Asset)	(579.37)	(633.19)	(405.86)	3,808.38	4,021.31	4,219.44	4,408.90	744.42	609.17	387.52
Total Liabilities	**(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**	**1,69,692.18**
Return on Networth	N/A	N/A	N/A	N/A	-13952.48%	-39.49%	-6.53%	9.56%	9.43%	5.90%
EPS (Basic)-Rs.	(373.04)	(337.99)	(1,537.46)	(903.61)	(446.62)	(178.35)	(41.30)	96.50	82.78	37.16
EPS (Dilluted)-Rs.	(373.04)	(337.99)	(1,537.46)	(903.61)	(446.62)	(178.35)	(41.30)	95.78	82.78	37.01
Debt Equity Ratio	-ve	-ve	-ve	-ve	725.84	5.24	3.92	2.47	3.49	4.16

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