Independent Auditor's Report

To the Members of AOSL Energy Services Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of AOSL Energy Services Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2021, 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 the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the financial statements and our auditor's report thereon.

   Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   The Director's Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

6. In preparing the 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.

Auditor's Responsibilities for the Audit of the Financial Statements

7. Our objectives are to obtain reasonable assurance about whether the 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 Standards on Auditing 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 financial statements.

8. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

9. 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.

Report on Other Legal and Regulatory Requirements

10. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.

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

12. Further to our comments in Annexure I, as required by section 143(3) of the Act, based on our audit, 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 accompanying financial statements;

    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;

    c) the financial statements dealt with by this report are in agreement with the books of account;

    d) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;

    e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;

    f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 19 June 2021 as per Annexure II expressed unmodified opinion; and

    g) 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:

        i. the Company does not have any pending litigation which would impact its financial position as at 31 March 2021;

        ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;

        iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021; and

        iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016 which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rakesh R. Agarwal
Partner
Membership No.: 109632
UDIN: 21109632AAAAGD1563

Place: Mumbai
Date: 19 June 2021

Annexure I to the Independent Auditor's Report of even date to the members of AOSL Energy Services Limited, on the financial statements for the year ended 31 March 2021

Annexure I

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

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

(b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the property, plant and equipment is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not hold any immovable property (in the nature of 'property, plant and equipment'). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.

(ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

(iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii)(a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax and goods and service tax that have not been deposited with the appropriate authorities on account of any dispute.

(viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

(ix) The Company did not raise monies by way of term loans or initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.

(x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

Annexure I to the Independent Auditor's Report of even date to the members of AOSL Energy Services Limited, on the financial statements for the year ended 31 March 2021

(xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the Company is not required to constitute an audit committee under Section 177 of the Act.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

(xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rakesh R. Agarwal
Partner
Membership No.: 109632
UDIN: 21109632AAAAGD1563

Place: Mumbai
Date: 19 June 2021

Annexure II

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of AOSL Energy Services Limited ('the Company') as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 ('the Guidance Note') 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. 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 with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rakesh R. Agarwal
Partner
Membership No.: 109632
UDIN: 21109632AAAAGD1563

Place: Mumbai
Date: 19 June 2021

AOSL Energy Services Limited
Balance Sheet as at March 31, 2021

(All amounts in rupees, unless otherwise stated)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	55,853	92,520
		55,853	**92,520**
Current assets			
Financial assets			
Cash and cash equivalents	4	12,662	77,228
Other financial assets	5	10,491	10,491
Other current assets	6	27,000	21,600
		50,153	**1,09,319**
Total assets		**1,06,006**	**2,01,839**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	7	1,00,000	1,00,000
Other equity		(2,76,281)	(1,62,451)
		(1,76,281)	**(62,451)**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	8	2,00,000	2,00,000
Other financial liabilities	9	27,287	9,290
		2,27,287	**2,09,290**
Current liabilities			
Financial liabilities			
Trade payables	10		
- total outstanding dues of micro and small enterprises		-	-
- total outstanding dues of creditors other than micro and small enterprises		55,000	55,000
		55,000	**55,000**
Total equity and liabilities		**1,06,006**	**2,01,839**

The accompanying notes form an integral part of the these financial statements

This is the Balance Sheet referred to in our audit report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N / N500013

For and on behalf of the Board of Directors

Rakesh R. Agarwal
Partner
Membership No.: 109632

Vinay Ghadigaonkar
Director
(DIN-08836349)

Sudhir Wadkar
Director
(DIN-08836413)

Place: Mumbai
Date: 19 June 2021

Place: Mumbai
Date: 19 June 2021

AOSL Energy Services Limited
Statement of Profit and Loss for the year ended March 31, 2021

(All amounts in rupees, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
INCOME :			
Revenue from operations		-	-
Total income		**-**	**-**
EXPENSES :			
Finance costs	11	17,997	8,322
Depreciation and amortisation expense	3	36,667	17,480
Other expenses	12	59,166	57,080
Total expenses		**1,13,830**	**82,882**
Loss before tax		**(1,13,830)**	**(82,882)**
Tax expense			
Current tax		-	-
Deferred tax		-	-
Loss after tax (A)		**(1,13,830)**	**(82,882)**
Other comprehensive (loss)/ income for the period, net of tax (B)		-	**-**
Total comprehensive loss (A+B)		**(1,13,830)**	**(82,882)**
Losses per equity share of face value of INR 10 each	13		
Basic		(1.14)	(0.83)
Diluted		(1.14)	(0.83)

The accompanying notes form an integral part of the these financial statements

This is the Statement of Profit and Loss referred to in our audit report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N / N500013

Rakesh R. Agarwal
Partner
Membership No.: 109632

Place: Mumbai
Date: 19 June 2021

For and on behalf of the Board of Directors

Vinay Ghadigaonkar
Director
(DIN-08836349)

Sudhir Wadkar
Director
(DIN-08836413)

Place: Mumbai
Date: 19 June 2021

AOSL Energy Services Limited
Cash Flow Statement for the year ended March 31, 2021

(All amounts in rupees, unless otherwise stated)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax	(1,13,830)	(82,882)
Adjustments:		
Interest expense	17,997	8,322
Depreciation and amortisation expense	36,667	17,480
Operating loss before working capital changes	(59,166)	(57,080)
Adjustments for changes in working capital:		
(Increase) / Decrease in other current assets	(5,400)	(21,600)
Increase / (Decrease) in trade and other payables	-	30,000
Cash used in operating activities	(64,566)	(48,680)
Direct taxes paid (net of refund received)	-	-
Net cash used in operating activities	(64,566)	(48,680)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	-	(1,10,000)
Net cash used in investing activities	-	**(1,10,000)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from inter corporate deposit	-	1,70,000
Net cash generated from financing activities	-	1,70,000
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(64,566)	11,320
Cash and cash equivalents at the beginning of the period	77,228	65,908
Cash and cash equivalents at the end of the period (Refer Note 4)	12,662	77,228

Note:
The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash Flows.

The accompanying notes form an integral part of the these financial statements
This is the Cash Flow Statement referred to in our audit report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N / N500013

For and on behalf of the Board of Directors

Rakesh R. Agarwal
Partner
Membership No.: 109632

Place: Mumbai
Date: 19 June 2021

Vinay Ghadigaonkar
Director
(DIN-08836349)

Sudhir Wadkar
Director
(DIN-08836413)

Place: Mumbai
Date: 19 June 2021

AOSL Energy Services Limited
Statement of changes in equity for the year ended March 31, 2021

A. Equity share capital

Particulars	Number of shares	Amount (in rupees)
Equity shares as at April 1, 2019	10,000	1,00,000
Movement during the year	-	-
Equity shares as at March 31, 2020	10,000	1,00,000
Movement during the year	-	-
Equity shares as at March 31, 2021	**10,000**	**1,00,000**

B. Other equity

(All amounts in rupees, unless otherwise stated)

Particulars	Reserve and Surplus	Total other equity
	Retained earnings	
As at April 1, 2019	**(79,569)**	**(79,569)**
Loss for the year	(82,882)	(82,882)
Other comprehensive income/ (loss) for the period	-	-
As at March 31, 2020	**(1,62,451)**	**(1,62,451)**
Loss for the year	(1,13,830)	(1,13,830)
Other comprehensive income/ (loss) for the period	-	-
As at March 31, 2021	**(2,76,281)**	**(2,76,281)**

Nature and purpose of reserves
Retained earnings: It represents the accumulated profits/ losses made by the Company over the period(s).

The accompanying notes form an integral part of the these financial statements

This is the Statement of changes in equity referred to in our audit report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N / N500013

Rakesh R. Agarwal
Partner
Membership No.: 109632

Place: Mumbai
Date: 19 June 2021

For and on behalf of the Board of Directors

Vinay Ghadigaonkar
Director
(DIN-08836349)

Sudhir Wadkar
Director
(DIN-08836413)

Place: Mumbai
Date: 19 June 2021

AOSL Energy Services Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2021

Corporate Information

AOSL Energy Services Limited (the "Company" or "AOESL") is a Public Limited Company domiciled in India. The Company is an oilfield service Company offering a suite of geophysical services and operation and maintenance services for oilfields. The Company CIN is U74999MH2018PLC315018 and is incorporated on 29 September 2018 under the provisions of the Companies Act, 2013. The registered office of the Company is located at 3rd floor, Omkar Esquare, Tatya Tope Marg, Joglekarwadi, Sion Fish Market, Sion East, Mumbai - 400022.

Note 1: Significant Accounting Policies

a) Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. The Company has consistently applied accounting policies to all the periods presented.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value.

The financial statements are presented in Indian Rupee, which is also the Company's functional currency. The previous year's figures have been regrouped / reclassified wherever necessary.

The financial statements for the year ended March 31, 2021 were approved by the Board of Directors on June 19, 2021.

b) Operating cycle and current, non-current classification

Based on the nature of services and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of assets and liabilities.

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is current when:

- It is expected to be realised in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is expected to be realised within twelve months after the reporting period, or
- It is cash or cash equivalent.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

c) Revenue Recognition

Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled when a performance obligation is satisfied, which occurs when control of goods or services gets transfer to the customer.

d) Taxes

Income tax expense comprises of current tax expense and deferred tax expenses. Current and deferred taxes are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

(i) Current income tax:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act of the respective jurisdiction. The current tax is calculated using tax rates that have been enacted or substantively enacted, at the reporting date.

(ii) Deferred tax:

Deferred tax is recognized using the Balance Sheet approach on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be recovered or settled.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

e) Cash and cash equivalents

Cash and cash equivalents comprises cash in hand and demand deposits with banks, short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

f) Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Cost of property, plant and equipment comprises purchase price, non-refundable taxes, levies and any directly attributable cost of bringing the asset to its working condition for the intended use. Subsequent to initial recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The cost of an item of property, plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment.

Depreciation on property, plant and equipment is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

g) Borrowing costs

Borrowing costs consists of interest, ancillary costs and other costs in connection with the borrowing of funds.

Borrowing costs attributable to acquisition and/or construction of qualifying assets are capitalised as a part of the cost of such assets, up to the date such assets are ready for their intended use. Other borrowing costs are charged to the Statement of Profit and Loss.

h) Financial Instruments

i) **Initial recognition and measurement**

Financial instruments (assets and liabilities) are recognised when the Company becomes a party to a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, other than those designated as fair value through profit or loss (FVTPL), are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in statement of profit and loss.

ii) **Financial assets**

<u>Subsequent measurement</u>

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets:

a) Financial assets measured at amortised cost

b) Financial assets measured at fair value through profit or loss (FVTPL)

c) Financial assets measured at fair value through other comprehensive income (FVTOCI) – The Company does not have any assets classified as FVTOCI.

<u>Financial assets measured at amortised cost</u>

A financial asset is measured at amortised cost if both the following conditions are met:

• The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

• Contractual terms of the instruments give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. EIR is the rate that exactly discounts estimated future cash receipts (including all fees, transaction costs and other premiums or discounts) through the expected life of the debt instrument or where appropriate, a shorter period, to the net carrying amount on initial recognition.

The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables, loans, etc.

<u>DE recognition</u>

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

• The rights to receive cash flows from the asset have expired, or

• The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement; and either

- the Company has transferred substantially all the risks and rewards of the asset, or

- the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

<u>Impairment of financial assets</u>

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

• Instruments measured at amortised cost e.g., loans and bank deposits

• Trade receivables

• Other Financial assets not designated as FVTPL

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables (including lease receivables). The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

iii) Financial liabilities

Subsequent measurement

All financial liabilities are subsequently measured at amortised cost using the EIR method or at FVTPL.

Financial liabilities at amortised cost

After initial recognition, interest-bearing borrowings and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial liabilities at FVTPL

Financial liabilities are classified as FVTPL when the financial liabilities are held for trading or are designated as FVTPL on initial recognition. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

iv) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

v) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per agreed terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

vi) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

i) Provisions

Provisions for legal claims are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

j) Contingencies

Disclosure of contingent liabilities is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continuously and if it is virtually certain that an inflow of economic benefits will arise, the assets and the related income are recognised in the period in which the change occurs.

k) Earnings/(losses) per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit attributable to equity shareholders and the weighted average number of shares outstanding are adjusted for the effect of all dilutive potential equity shares from the exercise of options on unissued share capital. The number of equity shares is the aggregate of the weighted average number of equity shares and the weighted average number of equity shares which are to be issued in the conversion of all dilutive potential equity shares into equity shares.

l) Exceptional items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

m) Unforeseeable losses

The Company has a process whereby periodically all long-term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company did not have any long-term contracts (including derivative contracts) for which there were any material foreseeable losses.

n) Key accounting estimates and judgements

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Examples of such estimates include assessments of recoverable amounts of deferred tax assets and cash generating units, provisions against litigations and contingencies. Estimates and underlying assumptions are reviewed by management at each reporting date. Actual results could differ from these estimates. Any revision of these estimates is recognised prospectively in the current and future periods.

Critical estimates

(i) Useful lives of various assets

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per schedule II to the Companies Act, 2013.

(ii) Impairment

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount to determine the recoverable amount, management estimates expected future cash flows from each asset or cash generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary, and may cause significant adjustments to the Company's assets. In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

2) Accounting pronouncements issued but not yet effective

On March 24, 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

AOSL Energy Services Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2021

Note 3: Property, plant & equipment

(All amounts in rupees, unless otherwise stated)

Particulars	**Computer equipments**
Gross carrying value (at deemed cost)	
As at April 1, 2019	-
Addition	1,10,000
Disposals	-
As at March 31, 2020	**1,10,000**
Addition	-
Disposals	-
As at March 31, 2021	**1,10,000**
Accumulated depreciation	
As at April 1, 2019	-
Addition	17,480
Disposals	-
As at March 31, 2020	**17,480**
Addition	36,667
Disposals	-
As at March 31, 2021	**54,147**
Net carrying value	
As at March 31, 2020	**92,520**
As at March 31, 2021	**55,853**

(All amounts in rupees, unless otherwise stated)

Note 4: Cash and cash equivalents	**As at March 31, 2021**	**As at March 31, 2020**
Balances with banks		
- in current accounts	9,062	76,528
Cash on hand	3,600	700
	12,662	**77,228**

There are no repartition restriction with regard to above cash and cash equivalents as at the end of the reporting period.

Note 5: Other financial assets	**As at March 31, 2021**	**As at March 31, 2020**
Security deposits		
Unsecured, considered good	10,491	10,491
	10,491	**10,491**

Note 6: Other current assets	**As at March 31, 2021**	**As at March 31, 2020**
Balance with government authorities	27,000	21,600
	27,000	**21,600**

Note 7: Equity share capital	**As at March 31, 2021**	**As at March 31, 2020**
(a) Authorised :		
Equity shares of INR 10 each		
10,000 equity shares of INR 10 each	1,00,000	1,00,000
	1,00,000	**1,00,000**
(b) Issued, subscribed and fully paid-up		
Equity shares of INR 10 each		
10,000 equity shares of INR 10 each	1,00,000	1,00,000
	1,00,000	**1,00,000**

(c) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

	Number	**Amount (in rupees)**
Equity shares as at March 31, 2019	**10,000**	**1,00,000**
Increase/(decrease) during the year	**-**	**-**
Equity shares as at March 31, 2020	**10,000**	**1,00,000**
Increase/(decrease) during the year	-	-
Equity shares as at March 31, 2021	**10,000**	**1,00,000**

(d) Terms and rights attached to equity shares
The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends 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. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

(e) Details of equity shareholders holding more than 5% shares in the Company:

	As at March 31, 2021		**As at March 31, 2020**	
Name of shareholder	**Number of shares**	**% of holding**	**Number of shares**	**% of holding**
Asian Energy Services Limited (Holding Company) including its nominee	10,000	100.00%	10,000	100.00%

(f) No additional shares were allotted as fully paid up by way of bonus shares or for consideration other than cash and also no shares have been bought back during the last five years.

(All amounts in rupees, unless otherwise stated)

Note 8: Borrowings	**As at March 31, 2021**	**As at March 31, 2020**
Non-Current		
Unsecured		
Inter corporate deposits from related party (refer note 17)	2,00,000	2,00,000
	2,00,000	**2,00,000**

Net debt reconciliation:	**As at March 31, 2021**	**As at March 31, 2020**
Cash and cash equivalents	12,662	77,228
Non-current borrowings	(2,00,000)	(2,00,000)
Interest accrued on borrowings	(27,287)	(9,290)
Net debt	(2,14,625)	(1,32,062)

	Cash and cash equivalents	**Non Current borrowings**	**Total**
Net debt as at March 31, 2019	65,908	(30,968)	34,940
Cash flow	11,320	(1,70,000)	(1,58,680)
Interest expense	-	(8,322)	(8,322)
Interest paid	-	-	-
Net debt as at March 31, 2020	**77,228**	**(2,09,290)**	**(1,32,062)**
Cash flow	(64,566)	-	(64,566)
Interest expense	-	(17,997)	(17,997)
Interest paid	-	-	
Net debt as at March 31, 2021	**12,662**	**(2,27,287)**	**(2,14,625)**

Terms and repayment of borrowing:
The Company has taken intercorporate deposits from Asian Energy Services Limited at an interest rate of 10.00% per annum, which is payable after March 31, 2022.

Note 9: Other financial liabilities	**As at March 31, 2021**	**As at March 31, 2020**
Non-Current		
Interest accrued but not due on inter corporate deposits (refer note 17)	27,287	9,290
	27,287	**9,290**

Note 10: Trade payables	**As at March 31, 2021**	**As at March 31, 2020**
Dues to micro and small enterprises (refer note below)	-	-
Dues to others	55,000	55,000
	55,000	**55,000**

Note: Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information as available with the Company. As at balance sheet dates, there are no outstanding dues to micro and small enterprises. There are no interest due or outstanding on the same.

(All amounts in rupees, unless otherwise stated)

Note 11: Finance costs	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
Interest expense on:		
- Borrowings (refer note 17)	17,997	8,322
	17,997	**8,322**

Note 12: Other expenses	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
Legal and professional charges	13,000	20,000
Bank charges	16,166	7,080
Payment to auditors (refer note below)	30,000	30,000
	59,166	**57,080**

Details of payments to auditors (excluding indirect taxes)		
As auditor:		
Statutory audit	30,000	30,000
	30,000	**30,000**

Note 13: Losses per share	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
Losses attributable to equity holders of the Company for basic and diluted earnings used as numerator - (A)	(1,13,830)	(82,882)
Weighted average number of equity shares outstanding during the period for Basic EPS - (B)	1,00,000	1,00,000
Weighted average number of equity shares outstanding during the period for Diluted EPS - (C)	1,00,000	1,00,000
Basic earning/(loss) per share (in INR) - (A)/(B) (face value INR 10 each)	(1.14)	(0.83)
Diluted earning/(loss) per share (in INR) - (A)/(C) (face value INR 10 each)	(1.14)	(0.83)

Note 14: Fair value measurements

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the Balance sheet are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Table showing carrying amount and fair values of financial assets and liabilities by category:

As at March 31, 2021		**Financial instruments by category**			
Particulars		**FVPL**	**FVOCI**	**Amortised cost**	**Total**
Financial assets					
Cash and cash equivalents	4	-	-	12,662	12,662
Other financial asset	5	-	-	10,491	10,491
Total financial assets		**-**	**-**	**23,153**	**23,153**
Financial liabilities					
Borrowings	8	-	-	2,00,000	2,00,000
Other financial liabilities	9	-	-	27,287	27,287
Trade payables	10	-	-	55,000	55,000
Total financial liabilities		**-**	**-**	**2,27,287**	**2,27,287**

As at March 31, 2020		**Financial instruments by category**			
Particulars	**Notes**	**FVPL**	**FVOCI**	**Amortised cost**	**Total**
Financial assets					
Cash and cash equivalents	4	-	-	77,228	77,228
Other financial asset	5	-	-	10,491	10,491
Total financial assets		**-**	**-**	**87,719**	**87,719**
Financial liabilities					
Borrowings	8	-	-	2,00,000	2,00,000
Other financial liabilities	9	-	-	9,290	9,290
Trade payables	10	-	-	55,000	55,000
Total financial liabilities		**-**	**-**	**2,64,290**	**2,64,290**

There have been no transfers between levels during the period.

Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of cash and cash equivalents, borrowing, trade payables and other current financial liabilities are considered to be the same as their fair values, due to their short term nature.

Note 15: Financial risk management

The Company's activities expose it to liquidity risk and market risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements. The Companies risk management is done in close co-ordination with the board of directors and focuses on actively securing the Companies short, medium and long-term cash flows by minimizing the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns. The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below:

i) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade payables and other financial liabilities.

The Company's principle sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. The Company closely monitors its liquidity position and maintains adequate source of funding.

Maturities of financial liabilities:

The tables below analyse the Companies financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at March 31, 2021	**Less than 12 months**	**More than 12 months**	**On demand**	**Total**
Borrowings	-	2,00,000	-	**2,00,000**
Trade payable	55,000	-	-	**55,000**
Other financial liabilities	27,287	-	-	**27,287**
	82,287	**2,00,000**	**-**	**2,82,287**

As at March 31, 2020	**Less than 12 months**	**More than 12 months**	**On demand**	**Total**
Borrowings	-	2,00,000	-	**2,00,000**
Trade payable	55,000	-	-	**55,000**
Other financial liabilities	9,290	-	-	**9,290**
	64,290	**2,00,000**	**-**	**2,64,290**

(All amounts in rupees, unless otherwise stated)

ii) Market risk
Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments.

a) Interest Rate Risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure of the Company's borrowing to interest rate changes at the end of the reporting period is Nil as long term borrowings are at a fixed interest rate.

b) Foreign Currency Risk
Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company does not have any outstanding balances in foreign currency and consequently it is not exposed to any foreign exchange risk.

Note 16: Capital management
The Company objectives when managing capital are to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal structure to reduce the cost of capital. In order to maintain or adjust the Capital structure, the Company may adjust the amounts of dividends paid to shareholders, return capital to shareholders, issue new shares or sell new assets to reduce debt.

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Total borrowings	2,00,000	2,00,000
Interest accrued on borrowings	27,287	9,290
Less: cash and cash equivalents	(12,662)	(77,228)
Net debt	2,14,625	1,32,062
Total equity as per balance sheet	(1,76,281)	(62,451)
Net debt to equity ratio	**(1.22)**	**(2.11)**

Note 17: Related party disclosures
A. Name of the Related Party and Nature of the Related Party Relationship :

a) Holding Company
Asian Energy Services Limited (formerly, Asian Oilfield Services Limited)

b) Ultimate holding company
Oilmax Energy Private Limited

b) Key Management Personnel
Mr. Pritam Karde - Director (upto September 5, 2020)
Mr. Vidyadhar Kamath - Director (upto September 5, 2020)
Mr. Sudhir Wadkar - Director (w.e.f. September 2, 2020)
Mrs. Niharika Jain - Director
Mr. Vinay Ghadigaonkar - Director (w.e.f. September 2, 2020)

B. Transactions with related parties during the period:	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
Holding Company		
Borrowing availed	-	1,70,000
Interest on borrowing	17,997	8,322

C. Balances with related parties	**As at March 31, 2021**	**As at March 31, 2020**
Holding Company		
Borrowings	2,00,000	2,00,000
Accrued interest on above	27,287	9,290

Note 18: Segment Information
The Company is principally engaged in a single business segment, viz. "Oilfield services".

Note 19: Events occurring after the reporting period
No adjusting or non-adjusting events have occurred between March 31, 2021 and the date of authorisation of these financial statements.

Note 20: Going Concern basis of accounting
The Company has incurred net loss of Rs. 113,830 during the year ended March 31, 2021 (March 31, 2020: INR 82,882) and it has accumulated losses amounting to Rs. 276,281 (March 31, 2020: INR 162,451) which have resulted in complete erosion of the net-worth of the Company. The business of the Company is dependent on the business of Holding Company. The Company is in the process of reassessing its business plan going forward in view of expected growth opportunities. Considering that Holding Company has indicated about providing financial support to the Company including deferment of repayment of borrowing for a period of next twelve months from the balance sheet date, the management of the Company have prepared the financial statements on a 'Going Concern' basis.

Note 21: Deferred tax asset has not been recognised on unabsorbed depreciation and carried forward business losses as currently it is not probable that sufficient taxable profit will be available to allow such deferred tax asset to be utilised.

Note 22: Information with regard to other matters specified in Schedule III to the Act is either Nil or not applicable to the Company for the year.

Note 23: Previous year figures have been regrouped/reclassified wherever necessary to conform to current year's presentation.

This is a summary of significant accounting policies and other explanatory information referred to in our audit report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N / N500013

Rakesh R. Agarwal
Partner
Membership No.: 109632

Place: Mumbai
Date: 19 June 2021

For and on behalf of the Board of Directors

Vinay Ghadigaonkar
Director
(DIN-08836349)

Sudhir Wadkar
Director
(DIN-08836413)

Place: Mumbai
Date: 19 June 2021