

ASIAN OILFIELD SERVICES LIMITED

Regd Office: 1110 , 11th Floor, JMD Megapolis, Sector-48, Sohna Road, Gurgaon - 122 018, Haryana, India.

CIN: L23200HR1992PLC052501

(Rs. In lacs)

PART I					
STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2017					
Particulars	Quarter Ended			Year Ended	
	31/3/2017	31/12/2016	31/03/2016	31/03/2017	31/03/2016
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
<b>1. Revenue</b>					
a) Revenue from operations	9,531.94	1,663.36	659.98	12,431.62	7,766.76
b) Other income	260.29	68.92	2,654.20	388.05	2,852.42
<b>Total Income from operations</b>	<b>9,792.23</b>	<b>1,732.28</b>	<b>3,314.18</b>	<b>12,819.67</b>	<b>10,619.18</b>
<b>2. Expenses</b>					
a) Employee benefits expense	894.08	543.21	155.92	2,250.69	1,746.10
b) Finance costs	165.07	212.64	316.44	768.26	1,089.18
c) Depreciation and amortization expense	365.75	366.55	436.55	1,513.00	1,777.81
d) Operating expenses	4,540.52	554.57	1,397.57	5,609.53	6,601.25
e) Other expenses	4,313.36	308.60	424.00	6,394.36	1,786.81
<b>Total expenses</b>	<b>10,278.78</b>	<b>1,985.57</b>	<b>2,730.48</b>	<b>16,535.84</b>	<b>13,001.15</b>
<b>3. Profit/(loss) from operations before exceptional items, prior period items and tax(1-2)</b>	<b>(486.55)</b>	<b>(253.29)</b>	<b>583.70</b>	<b>(3,716.17)</b>	<b>(2,381.97)</b>
4. Exceptional items	668.41	-	(1.00)	1,918.94	-
<b>5. Profit/(loss) before prior period items and tax (3-4)</b>	<b>181.86</b>	<b>(253.29)</b>	<b>582.70</b>	<b>(1,797.23)</b>	<b>(2,381.97)</b>
6. Prior period expense	22.48	-	138.27	22.48	138.27
<b>7. Profit/(loss) before tax (5-6)</b>	<b>159.38</b>	<b>(253.29)</b>	<b>444.43</b>	<b>(1,819.71)</b>	<b>(2,520.24)</b>
8. Tax expense	20.52	-	4.17	20.52	185.31
<b>9. Profit/(loss) from ordinary activities after tax (7-8)</b>	<b>138.86</b>	<b>(253.29)</b>	<b>440.26</b>	<b>(1,840.23)</b>	<b>(2,705.55)</b>
10. Paid up equity share capital (face value Rs. 10 per share)	2,607.44	2,232.44	2,232.44	2,607.44	2,232.44
11. Reserves excluding revaluation reserve as per Balance Sheet	-	-	-	771.84	(1,225.76)
<b>12. Earnings per share (EPS) (of Rs. 10/- each):</b>					
(a) Basic - Rs.	0.59	(1.13)	1.98	(8.14)	(12.12)
(b) Diluted - Rs.	0.37	(1.12)	1.98	(7.06)	(12.12)
	(Not annualized)	(Not annualized)	(Not annualized)	(Annualized)	(Annualized)

Notes :

1) The above financial results were reviewed by the Audit Committee and thereafter were approved and taken on record by the Board of Directors in their meeting held on 22 May 2017.

2) The consolidated accounts of Asian Oilfield Services Limited (the "Company") and its subsidiaries (the "Group") have been prepared as per Accounting Standard (AS) 21 on Consolidated Financial Statements.

3) Other non-current assets as at 31 March 2017 include fixed deposits of Rs. 2,783.50 lacs given as margin money to banks to provide performance guarantees for various projects and Rs. 496.98 lacs as security for an overdraft facility.

4) Short term borrowings as at 31 March 2017 include unsecured loan amounting to Rs. 3,700 lacs payable to parent Company, Oilmax Energy Private Limited



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5) Other expenses for the year ended 31 March 2017 includes provision for doubtful debts amounting to Rs.510.18 lacs, provision against advances amounting to Rs. 69.59 lacs, bad debts of Rs. 3,079.49 lacs and loss on sale and impairment of assets amounting to Rs. 480.60 lacs.

6) Notes with respect to Auditor's observations in their audit report on the above results are as under:

a) As at 31 March 2017, the Company has certain long outstanding trade receivables, short term loans and advances and long term loans and advances amounting to Rs. 254.15 lacs, Rs 104.05 lacs and Rs 108.71 lacs respectively (as at 31 March 2016: Rs. 1,141.08 lacs, Rs.104.05 lacs and Rs. 128.71 lacs respectively). The Company is reasonably certain that the same are recoverable in near future, hence no provision is required on the same.

b) The Company has an ongoing legal case with one of its customers namely ONGC. The matter is presently pending before the Jorhat District Court which has directed the matter to the outside expert conciliation committee based on the submission made by ONGC to the Court. Based on legal advice, the Company has not recorded provision in relation to liquidated damages of Rs. 333 lacs, the receivable outstanding in the books of Rs. 406 lacs and the bank guarantee given to the customer of Rs. 512.98 lacs.

7) Pursuant to a share transfer agreement dated 8 February 2017, Asian Oilfield & Energy Services DMCC, Dubai, a wholly owned subsidiary of the Company, acquired 99.99% shares of an entity namely Ivorene Oil Services Nigeria Limited ("Ivorene")

8) The Consolidated Financial Results include the financial results of the subsidiaries; Asian Oilfield & Energy Services DMCC - U.A.E., AOSL Petroleum Pte Ltd - Singapore and Ivorene Oil Services Nigeria Limited - Nigeria.

9) The Company has opted to publish Consolidated financial results. The reviewed standalone results of the Company for the above mentioned periods are available on Company's website www.asianoilfield.com. Key standalone financial information is given below:

Particulars	Quarter ended			Year ended	
	31/3/2017	31/12/2016	31/03/2016	31/3/2017	31/3/2016
	Unaudited	Unaudited	Unaudited	Audited	Audited
Income from operations	2,977.78	127.73	589.33	4,341.83	936.26
Profit/(loss) before tax	546.06	(466.48)	(981.21)	69.97	(2,758.46)
Net profit/(loss)	525.54	(466.48)	(981.21)	49.45	(2,939.60)

10) During the year ended 31 March 2017, following changes in the capital structure of the Company took place :

a) The Company allotted 14,500,000 equity warrants to the promoter and a non-resident ("allottees"), convertible into equity shares of Rs. 10 each at the option of allottees, any time within 18 months post allotment at an issue price of Rs. 80 each on preferential basis. In this regard, the Company received Rs. 5,800 lacs being 50% of the subscription amount as per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. Further, the Company received Rs. 1,000 lacs being the balance 50% allotment money from the promoter with respect to 2,500,000 equity warrants and allotted equivalent number of equity shares against the same upon the option of conversion being exercised by the promoter. The remaining warrants shall be converted into equity shares on the exercise of the conversion rights by the allottees. The balance 50% of the issue price shall be payable by the allottees in tranches or lumpsum on or before exercise of the entitlement attached to warrants to subscribe for equity shares.

b) The Company allotted 1,250,000 equity shares at an issue price of Rs. 165 each on preferential basis to a non-resident investor. In this regard, the Company received entire subscription money amounting to Rs. 2,062.50 lacs under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

11) As per Accounting Standard (AS) 17 "Segment Reporting", the Company's business falls within a single business segment viz. "Oilfield Services".

12) Figures for the quarter ended 31 March 2017 are the balancing figure between the audited figures for the year ended 31 March 2017 and the published year to date figures for the nine months ended 31 December 2016.

13) Exceptional item is the amount written back on account of settlement of inter corporate deposits.

14) Previous quarter's/year amounts have been re-grouped/re-classified, wherever considered necessary to make them comparable with current period.

for Asian Oilfield Services Limited



*Ashutosh Kumar*  
Ashutosh Kumar  
CEO & Director  
DIN : 06918508

Place : Mumbai  
Date : 22 May 2017

# Walker Chandiook & Co LLP

**Walker Chandiook & Co LLP**  
(Formerly Walker, Chandiook & Co)  
16th Floor, Tower II  
Indiabulls Finance Centre  
S B Marg, Elphinstone (W)  
Mumbai 400013  
India

T +91 22 6626 2600  
F +91 22 6626 2601

## **Independent Auditor's Report on Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

### **To the Board of Directors of Asian Oilfield Services Limited**

1. We have audited the consolidated financial results of Asian Oilfield Services Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') for the year ended 31 March 2017, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to Note 12 to the consolidated financial results regarding the figures for the quarter ended 31 March 2017 as reported in these consolidated financial results, which are the balancing figures between audited consolidated figures in respect of the full financial year and the published consolidated year to date figures up to the end of the third quarter of the financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit. These consolidated financial results are based on the consolidated financial statements for the year ended 31 March 2017 prepared in accordance with the accounting principles generally accepted in India, including Accounting Standards ('AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and published consolidated year to date figures up to the end of the third quarter of the financial year prepared in accordance with the recognition and measurement principles laid down in AS 25, Interim Financial Reporting, prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, which are the responsibility of the Holding Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of the consolidated financial statements for the year ended 31 March 2017 and our review of consolidated financial results for the nine months period ended 31 December 2016.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our qualified opinion.



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3. As stated in Note 6(a) to the accompanying annual consolidated financial results, the Company's trade receivables, short-term loans and advances and long-term loans and advances as at 31 March 2017 include Rs. 254.15 lacs, Rs. 104.05 lacs and Rs. 108.71 lacs respectively (as at 31 March 2016: Rs. 1,141.08 lacs, Rs. 104.05 lacs and Rs. 128.71 lacs respectively) being considered good and recoverable by the management. However, in the absence of sufficient appropriate evidence, we are unable to comment upon the recoverability of the aforesaid trade receivables, short-term loans and advance and long-term loans and advances, and the consequential impact, if any on the accompanying financial results. Our audit report on the consolidated financial statements for the year ended 31 March 2016 was also qualified in respect of this matter.
4. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate financial results and on other financial information of the subsidiaries, the consolidated financial results:
  - (i) include the financial results for the year ended 31 March 2017, of the following entities:
    - a) Asian Oilfield & Energy Services DMCC
    - b) AOSL Petroleum Pte Limited
    - c) Ivorine Oil Services Nigeria Limited
  - (ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard; and
  - (iii) give a true and fair view of the consolidated net loss and other financial information in conformity with the accounting principles generally accepted in India for the year ended 31 March 2017 except for the possible effects of the matter(s) described in paragraph 3.
5. We draw attention to Note 6(b) to the annual standalone financial results which describes the uncertainty related to outcome of legal case filed by the Company in relation to liquidated damages/penalties claimed by a customer after serving a show cause notice for termination of contract. These matters are pending with District Court, Jorhat. The final outcome of the aforesaid matters, is presently unascertainable, and accordingly no adjustments have been recorded in audited standalone financial results. Our opinion is not qualified in respect of these matters.
6. We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets of Rs. 11,937.81 lacs and net assets of Rs. (6,040.79) lacs as at 31 March 2017, and total revenues of Rs. 8,736.60 lacs for the year ended on that date, as considered in the consolidated financial results. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of such other auditors.

Further, all these subsidiaries, are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion, in so far as it relates to the financial information of such subsidiaries located outside India, is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.



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Our opinion on the consolidated financial results is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

*Walker Chandiok & Co LLP*

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013

*Anamitra Das*

per **Anamitra Das**

Partner

Membership No. 062191



**Place:** Mumbai

**Date:** 22 May 2017

**ANNEXURE I**

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

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. in lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs. in lakhs)
I.	1	Turnover / Total income	14,738.61	14,738.61
	2	Total Expenditure	16,578.83	16,578.83
	3	Net Profit/(Loss)	(1,840.23)	(1,840.23)
	4	Earnings Per Share	(8.14)	(8.14)
	5	Total Assets	20,931.25	20,931.25
	6	Total Liabilities	12,751.97	12,751.97
	7	Net Worth	8,179.28	8,179.28
	8	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	<p><b>Audit Qualification (each audit qualification separately):</b></p> <p><b>a. Details of Audit Qualification:</b> As stated in note 6(a) to the accompanying annual consolidated financial results, the Company's trade receivable, short term loans and advances and long term loans and advances as at March 31, 2017 include Rs. 254.15 lakhs, Rs. 104.05 lakhs and Rs. 108.71 lakhs respectively (as at 31 March 2016: Rs. 1,141.08 lacs, Rs. 104.05 lacs and Rs. 128.71 lacs respectively) being considered good and recoverable by the management. However, in the absence of sufficient appropriate evidence, we are unable to comment upon the recoverability of the aforesaid trade receivable, short term loans and advances and long term loans and advances and the consequential impact, if any on the accompanying financials results.</p> <p><b>b. Type of Audit Qualification :</b> Qualified Opinion</p> <p><b>c. Frequency of qualification:</b> Qualification continuing from FY 2014-15</p> <p><b>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> NA</p> <p><b>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</b> (i) Management estimation on the impact of audit qualification: NA (ii) If management is unable to estimate the impact, reason for the same: These recoverable are in relation to services rendered in normal course of business operations. The management is regularly following up with the customers, and is fully confident of recovering the outstanding amount. (iii) Auditors' Comments on (i) or (ii) above: Refer point II(a)</p>			
III.	<p><b>Signatories:</b></p> <p>CEO</p> <p>CFO</p> <p>Audit Committee Chairman</p> <p>Statutory Auditor</p> <p><b>Place: Mumbai</b> <b>Date: 22 May 2017</b></p>		<p>Mr. Ashutosh Kumar</p> <p>Mr. Rahul Jain</p> <p>Mr. N.C. Sharma</p> <p>For <b>Walker Chandio &amp; Co LLP</b> Chartered Accountants Firm Registration No. 001076N/N500013</p> <p>per Anamitra Das Partner Membership No. 062191</p>      	