

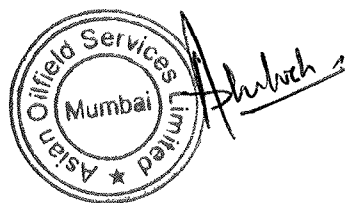
**STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2020**

Sr. No.	Particulars	INR in lakhs unless otherwise stated				
		Quarter ended			Year ended	
		31 March 2020 (Unaudited) (Refer note 1)	31 December 2019 (Unaudited)	31 March 2019 (Unaudited) (Refer note 1)	31 March 2020 (Audited)	31 March 2019 (Audited)
1	<b>Income</b>					
	(a) Revenue from operations	11,186.08	8,642.09	4,288.04	27,304.00	19,385.52
	(b) Other income	2.41	138.56	183.09	358.21	397.72
	<b>Total income (a+b)</b>	<b>11,188.49</b>	<b>8,780.65</b>	<b>4,471.13</b>	<b>27,662.21</b>	<b>19,783.24</b>
2	<b>Expenses</b>					
	(a) Oilfield services related expense	7,998.85	5,415.78	2,920.14	18,180.78	12,771.39
	(b) Employee benefits expense	213.45	218.47	541.31	1,003.33	2,067.00
	(c) Finance costs	107.78	56.78	107.58	285.20	572.06
	(d) Depreciation and amortisation expense	485.90	489.42	449.87	1,965.94	1,944.27
	(e) Other expenses (Refer note 12)	337.37	344.41	178.80	1,476.50	1,259.60
	<b>Total expenses (a+b+c+d+e)</b>	<b>9,143.35</b>	<b>6,524.86</b>	<b>4,197.70</b>	<b>22,911.75</b>	<b>18,614.32</b>
3	<b>Profit before share of profit/ (loss) of joint venture, exceptional items and tax (1-2)</b>	<b>2,045.14</b>	<b>2,255.79</b>	<b>273.43</b>	<b>4,750.46</b>	<b>1,168.92</b>
4	Share of profit/ (loss) of joint venture	-	-	-	-	-
5	<b>Profit before exceptional items and tax (3+4)</b>	<b>2,045.14</b>	<b>2,255.79</b>	<b>273.43</b>	<b>4,750.46</b>	<b>1,168.92</b>
6	Exceptional items (Refer note 8)	(176.74)	(321.43)	(29.77)	(686.55)	(250.77)
7	<b>Profit before tax (5+6)</b>	<b>1,868.40</b>	<b>1,934.36</b>	<b>243.66</b>	<b>4,063.91</b>	<b>918.15</b>
8	<b>Tax expense</b>					
	Current tax	344.02	536.33	3.75	1,140.37	8.08
	Deferred tax	-	-	-	-	-
9	<b>Net profit for the period (7-8)</b>	<b>1,524.38</b>	<b>1,398.03</b>	<b>239.91</b>	<b>2,923.54</b>	<b>910.07</b>
10	<b>Other comprehensive income/ (loss)</b>					
	(a) Items not to be reclassified subsequently to profit or loss					
	- Gain/ (loss) on fair value of defined benefit plans (net of tax)	(3.31)	1.02	6.48	(0.23)	4.11
	(b) Items to be reclassified subsequently to profit or loss					
	- Foreign currency translation reserve (net of tax)	296.56	41.72	358.59	283.00	169.56
	<b>Total other comprehensive income/ (loss) for the period, net of tax</b>	<b>293.25</b>	<b>42.74</b>	<b>365.07</b>	<b>282.77</b>	<b>173.67</b>
11	<b>Total comprehensive income for the period, net of tax (9+10)</b>	<b>1,817.63</b>	<b>1,440.77</b>	<b>604.98</b>	<b>3,206.31</b>	<b>1,083.74</b>
	<b>Profit for the period attributable to:</b>					
	Owners of the Company	1,524.38	1,398.03	239.91	2,923.54	910.07
	Non-controlling interest	-*	-	-	-*	-
	<b>Other comprehensive income for the period attributable to:</b>					
	Owners of the Company	293.25	42.74	365.07	282.77	173.67
	Non-controlling interest	-	-	-	-	-
	<b>Total comprehensive income for the period attributable to:</b>					
	Owners of the Company	1,817.63	1,440.77	604.98	3,206.31	1,083.74
	Non-controlling interest	-*	-	-	-*	-
12	Paid up equity share capital (Face value of INR 10 each)	3,769.37	3,769.37	3,807.44	3,769.37	3,807.44
13	Other equity (excluding revaluation reserve)				14,375.92	11,392.70
14	Earnings per share (Face value of INR 10 each)					
	(a) Basic (not annualised) (in INR)	4.04	3.71	0.63	7.72	2.39
	(b) Diluted (not annualised) (in INR)	4.04	3.70	0.63	7.71	2.39
	* Amount is less than INR 1,000 in absolute terms.					
	See accompanying notes to the consolidated financial results					



**CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES**

Particulars	INR in lakhs	
	As at 31 March 2020 (Audited)	As at 31 March 2019 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	8,546.31	8,391.98
Intangible assets	193.22	259.22
Right to use asset (refer note 9)	276.62	-
Financial assets		
Loans	2.71	0.42
Other financial assets	1,166.07	-
Income tax assets (net)	1,598.19	1,267.83
Other non-current assets	0.86	122.44
	<b>11,783.98</b>	<b>10,041.89</b>
<b>Current assets</b>		
Inventories	1.61	69.39
Financial assets		
Trade receivables	8,806.07	5,939.80
Cash and cash equivalents	6,195.70	97.00
Bank balances other than above	2,001.92	2,422.37
Loans	33.10	83.36
Other financial assets	193.57	227.83
Other current assets	1,758.54	2,963.68
	<b>10,990.51</b>	<b>11,803.43</b>
<b>Total assets</b>	<b>30,774.49</b>	<b>21,845.32</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	3,769.37	3,807.44
Other equity	14,375.92	11,392.70
	<b>18,145.29</b>	<b>15,200.14</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Other financial liabilities	180.35	3.98
Other non-current liabilities	100.64	-
Provisions	10.62	3.83
	<b>291.61</b>	<b>7.81</b>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	-	440.00
Trade payables		
- total outstanding dues of micro and small enterprises	6.52	0.91
- total outstanding dues of creditors other than micro and small enterprises	6,316.54	4,465.40
Other financial liabilities	1,354.23	1,095.34
Other current liabilities	3,512.82	112.07
Provisions	112.87	515.57
Current tax liabilities	1,034.61	8.08
	<b>12,337.59</b>	<b>6,637.37</b>
<b>Total equity and liabilities</b>	<b>30,774.49</b>	<b>21,845.32</b>
See accompanying notes to the consolidated financial results		



**CONSOLIDATED AUDITED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020**

INR in lakhs

Particulars	Year ended 31 March 2020 (Audited)	Year ended 31 March 2019 (Audited)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	4,063.91	918.15
<b>Adjustments for non cash items and items considered separately</b>		
Depreciation and amortisation expense	1,967.22	1,944.27
Interest expense	208.83	271.73
Interest expense on lease liability	33.89	-
Interest income	(211.64)	(195.16)
Liabilities/ provision written back	(153.97)	(113.49)
Profit on sale of property, plant and equipment (net)	(21.95)	(13.62)
Net gain on foreign currency transactions	(50.87)	(54.18)
Sundry balances written off	18.25	13.28
Impairment allowance on trade receivables	118.15	175.87
Impairment of contract assets	578.34	-
Provision for doubtful other assets	416.91	234.52
Provision towards settlement of litigation	103.66	-
Amortisation of security deposits received	(14.38)	-
Write down of Inventories	15.00	19.40
Provision for employee stock option	32.88	63.29
<b>Operating profit before working capital changes</b>	<b>3,040.32</b>	<b>2,345.91</b>
	<b>7,104.23</b>	<b>3,264.06</b>
<b>Adjustments for changes in working capital:</b>		
(Increase)/decrease in trade receivables	(2,984.42)	45.70
(Increase)/decrease in inventories	52.78	98.88
(Increase)/decrease in other assets	(734.75)	2,193.30
(Increase in)/redemption of bank deposits	420.45	(787.63)
Increase/(decrease) in trade payable	2,010.72	(882.14)
Increase/(decrease) in provisions	(506.39)	7.08
Increase/(decrease) in other liabilities	4,008.40	(487.32)
<b>Cash generated from operations</b>	<b>9,371.02</b>	<b>3,451.93</b>
Direct taxes paid (net of refunds received)	(463.46)	(758.53)
<b>Net cash generated from operating activities</b>	<b>8,907.56</b>	<b>2,693.40</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (including capital advances)	(1,420.68)	(2,354.47)
Receipt from disposal of property, plant and equipment	27.03	15.18
Interest income received	245.91	299.28
<b>Net cash used in investing activities</b>	<b>(1,147.74)</b>	<b>(2,040.01)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of long-term borrowings	(556.44)	(1,431.58)
Repayment of short-term borrowings	-	(449.34)
Proceeds from inter corporate deposits	1,605.00	6,040.00
Repayment of inter corporate deposits	(2,045.00)	(5,600.00)
Purchase of treasury shares	(294.06)	-
Payment of lease liability	(143.57)	-
Interest paid	(308.77)	(107.69)
<b>Net cash used in financing activities</b>	<b>(1,742.84)</b>	<b>(1,548.61)</b>
<b>Net (decrease)/ increase in cash and cash equivalents (A+B+C)</b>	<b>6,016.98</b>	<b>(895.22)</b>
Cash and cash equivalents at the beginning of the year	97.00	822.66
Effect of foreign exchange differences	81.72	169.57
<b>Cash and cash equivalents at the end of the year</b>	<b>6,195.70</b>	<b>97.00</b>

See accompanying notes to the consolidated financial results



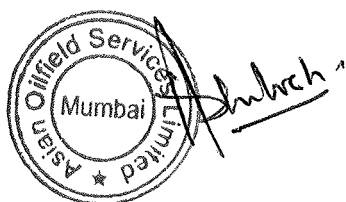
**Notes:**

- 1 The above consolidated financial results for the quarter and year ended 31 March 2020 have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. Figures for the quarters ended 31 March 2020 and 31 March 2019 are the balancing figures between the audited consolidated financial statements for the years ended on that date and the year to date figures up to the end of third quarter of the respective financial year.
- 2 The above consolidated financial results include the standalone audited financial results of the Holding Company and its subsidiaries [Asian Oilfield & Energy Services DMCC; AOSL Petroleum Pte. Limited; Ivorene Oil Services Nigeria Limited; Asian Oilfield Service Limited Employee Welfare Trust; AOSL Energy Services Limited and Optimum Oil & Gas Private Limited (effective 30 November 2019)] and a joint venture (Optimum Oil & Gas Private Limited) up to 29 November 2019. All these subsidiaries except AOSL Energy Services Limited, Asian Oilfield Service Limited Employee Welfare Trust and Optimum Oil & Gas Private Limited are located outside India, whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries. The Holding Company's management has converted the financial statements of these subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India.
- 3 The Group is principally engaged in a single business segment viz. "Oilfield services".
- 4 The Audit Committee has reviewed the consolidated financial results for the quarter and year ended 31 March 2020 and the Board of Directors have approved the same, in their respective meetings held on 18 June 2020.
- 5 Trade receivables (current) and Other financial assets (non-current) as at 31 March 2020 of the Holding Company includes an amount of INR 424.79 lakhs and INR 1,166.07 lakhs, respectively, mainly representing amounts withheld by the customers towards certain projects and performance guarantee invoked by a customer towards alleged non-performance on a project awarded to the Holding Company. At present, the Holding Company is in the process of pursuing such matters with such customers through amicable settlement process. Further, for an amount withheld by a customer to the extent of INR 231.92 lakhs, the Holding Company is reasonably confident of having completed its ultimate performance obligations within the agreed completion timelines specified in the contract. Considering the contractual tenability, progress of negotiations/ discussions and legal advice obtained in respect of these matters, the management is confident of recovery of these assets and accordingly believes that these matters would be amicably resolved without any loss to the Group.
- 6 In the wake of COVID-19 outbreak, the seismic operation sites in India were temporary suspended from 25 March 2020, which has been partially resumed after 31 May 2020. The offshore operations of the Group have continued with occasional disruption following the announcement of COVID-19 as world pandemic. The Group have taken necessary steps to communicate with its employees, customers and vendors and updated them on a regular basis. While volatility was witnessed in the oil prices in recent past, there is no major change in seismic data acquisition plan of Government of India projects till now. The Management and the Board of Directors have assessed the possible effects of COVID-19 pandemic on Group's liquidity position for the next financial year and the carrying values of Group's assets comprising of property, plant and equipment, trade receivables and other assets as balance sheet date, and has concluded that no material adjustments are required on these consolidated financial results. The impact assessment of COVID-19 is an ongoing process and the Group will continue to monitor any material changes to future economic conditions, as and when they arise.
- 7(a) Asian Oilfield & Energy Service DMCC ('ADMCC'), a subsidiary of Holding Company, had filed for arbitration in 'The London Court of International Arbitration' on 19 June 2018 against early termination of 'Service Contract for Operations and Maintenance of Floating Production Unit' by its customer. The termination notice was received on 7 May 2018, with ADMCC given 14 days (from 7 May 2018) to provide the Floating Production Unit operations back to the customer. Both the parties had signed a settlement deed dated 3 December 2018. However, as per the arbitration dated 22 February 2019, the dispute arose between the parties in relation to the above settlement deed. On 5 February 2019, ADMCC demanded payment of second instalment of USD 2,000,000 (INR 1,507.72 lakhs) for which the last day expired on 19 February 2019, however the customer did not settle the payment. Both the parties have agreed on suspension of arbitration proceedings and are currently evaluating an out-of-court settlement. As per the joint communication dated 31 March 2020 made to the Arbitration Tribunal and the Tribunal's Procedural Order No. 11 dated 1 April 2020, both the parties have mutually agreed to a further extension of the current stay of the arbitration proceedings up to and including 30 June 2020 and the deadline for the parties to produce further documents pursuant to the Tribunal's rulings in the Redfern Schedules is extended to 1 July 2020. ADMCC's management believes such amount shall be realised in near future without any loss.
- 7(b) ADMCC's management had appointed an independent audit firm for carrying out the physical verification of its property, plant and equipment lying at various project sites in India and also for certifying the carrying value. In the opinion of ADMCC's management, no events or circumstances have occurred that indicate the carrying amounts of property, plant and equipment may not be recoverable.
- 8 Exceptional items represent:

Particulars	INR in lakhs					
	Quarter ended			Year ended		
	31 March 2020	31 December 2019	31 March 2019	31 March 2020	31 March 2019	
Foreign exchange gain/ (loss)	-	-	(29.77)	-	54.18	
Current trade receivable written off	-	-	-	-	(175.87)	
Impairment of contract assets (unbilled revenue)	(176.74)	(321.43)	-	(578.34)	-	
Liabilities/ provision written back	-	-	-	142.59	-	
Non financial assets impaired/ written off	-	-	-	(250.80)	(129.08)	
<b>Total (expense)/ income</b>	<b>(176.74)</b>	<b>(321.43)</b>	<b>(29.77)</b>	<b>(686.55)</b>	<b>(250.77)</b>	

- 9 Effective 1 April 2019, the Group adopted Ind AS 116 "Leases" using the cumulative catch-up approach. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. As a result of adoption of Ind AS 116, the Group has recognised Right of Use assets as at 1 April 2019 for leases previously classified as operating leases and measured at an amount equal to lease liability (adjusted for related prepayments/ accruals). The Group has discounted lease payments using the incremental borrowing rate for measuring the lease liability. The impact on consolidated financial results on account of Ind AS 116 is presented below:

Particulars	INR in lakhs		
	Quarter ended		Year ended
	31 March 2020	31 Dec 2019	31 March 2020
Increase in finance costs	7.27	7.89	33.89
Increase in depreciation and amortisation	29.07	29.87	122.03
Decrease in other expenses	(34.63)	(35.90)	(148.31)
<b>Net (increase)/ decrease in profit before tax</b>	<b>1.71</b>	<b>1.86</b>	<b>7.61</b>



**Notes:**

- 10 As of 31 March 2020, considering that the Holding Company and its subsidiaries incorporated in India have significant amount of carry forward tax losses and unabsorbed depreciation, the Group is presently evaluating and has not yet elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance 2019. Based on management assessment, there is no impact of the new tax rate on the consolidated financial results for the current period.
- 11 During the quarter ended 31 December 2019, the Holding Company acquired an additional equity stake of 51% in Optimum Oil and Gas Private Limited (OOGPL) for a consideration of INR 51,000. Accordingly OOGPL has been treated as subsidiary with effect from 30 November 2019, which was treated as joint venture till 29 November 2019. The Group's share in the results of OOGPL for the period 1 April 2019 to 29 November 2019 have been included in consolidated financial results based on the unaudited interim financial information of OOGPL for the aforesaid period. In management's view, such interim financial information is not material to the Group.
- 12 Other expenses includes the expenditure incurred towards travel and conveyance, security expenses, legal and professional charges and repairs and maintenance cost for the projects undertaken by the Group.
- 13 During the year ended 31 March 2020, the Holding Company has implemented Asian Oilfield Services Limited Employees Stock Option Plan 2019 ('AOSL ESOP 2019') for grant of employee stock options to the employees of the Holding Company and its subsidiaries. Pursuant to AOSL ESOP 2019, the Holding Company has granted 380,744 stock options.
- 14 The standalone financial results of the Holding Company for the above mentioned periods are available on the Holding Company's website [www.asianoilfield.com](http://www.asianoilfield.com).

For Asian Oilfield Services Limited

  
Ashutosh Kumar  
Whole Time Director and CEO  
DIN: 06918508



Place: Mumbai  
Date: 18 June 2020

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

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

#### **Opinion**

1. We have audited the accompanying consolidated annual financial results ('the Statement') of Asian Oilfield Services Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), and its joint venture for the year ended 31 March 2020, attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time.
2. 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 audited financial statements of the subsidiaries, as referred to in paragraph 13 below, the Statement:
  - (i) includes the annual financial results of the entities listed in Annexure 1;
  - (ii) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations; and
  - (iii) gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the consolidated net profit after tax and other comprehensive income and other financial information of the Group and its joint venture, for the year ended 31 March 2020.

#### **Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') 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 Statement section of our report*. We are independent of the Group and a joint venture, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the 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 obtained by us and that obtained by the other auditors in terms of their reports referred to in paragraph 13 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

## Emphasis of Matters

4. We draw attention to :
- a. Note 5 to the accompanying Statement regarding recoverability of amounts withheld/ performance guarantee invoked by customers towards liquidation damages/ non-performance of obligations for certain projects awarded to the Holding Company. The Holding Company's management has assessed the tenability of its claims and submissions made to these customers and based on the legal opinion obtained, management is of the view that the amounts withheld/ performance guarantees that were invoked are recoverable, and accordingly, no adjustments have been made to the accompanying Statement.
  - b. Note 6 to the accompanying Statement, which describes the impact of COVID-19 pandemic on the Holding Company's operations. In view of the uncertainties in the economic environment due to the outbreak of COVID-19 pandemic, the impact on the financial position and performance of the Holding Company is significantly dependent on the future developments as they evolve.

The following emphasis of matter paragraph included in the auditor report dated 4 June 2020 on the audited financial statements of Asian Oilfield & Energy Service DMCC (ADMCC), a subsidiary of the Holding Company, issued by an independent firm registered in Dubai, and reproduced by us as under:

**“Material uncertainty relating to going concern:**

The COVID-19 outbreak has caused disruptions throughout the world impacting the economic activities with forecast of economic downturns in several parts of the world. Management of the Company has, based on its preliminary assessment & review, assured that the Company would be able to continue its operations in the foreseeable future.

The management of the Company after considering the future projections of revenue, profitability and cash flows is confident that the Company would be able to honor its commitments as and when they fall due and the Company would be able to operate for the immediate next 12 months. Hence the financial statements have been prepared on a going concern assumption and our opinion is not modified in respect of the above matter.”

- c. Note 7(a) and Note 7(b) to the accompanying Statement and the following emphasis of matter paragraphs included in the auditor report dated 4 June 2020 on the audited financial statements of ADMCC, a subsidiary of the Holding Company, issued by an independent firm registered in Dubai, and reproduced by us as under:

“The Company has filed for arbitration in 'The London Court of International Arbitration' on February 22, 2019 claiming an overdue amount from a settlement agreement with a customer, amounting to USD 2,000,000. Both the parties had agreed on suspension of arbitration proceedings and evaluating an out-of-court settlement. Further, as per the parties joint communication to the Tribunal dated March 31, 2020 and the Tribunal's Procedural Order No. 11 dated April 1, 2020, both the parties have mutually agreed to a further extension of the current stay of the arbitration proceedings up to and including June 30, 2020 and the deadline for the parties to produce further documents pursuant to the Tribunal's rulings in the Redfern Schedules is extended to July 1, 2020.”

“We have relied on certificate of physical verification of assets received from an independent audit firm which has conducted physical verification of the property, plant & equipment lying at various project locations in India.”

Our opinion is not modified in respect of these matters.

## **Responsibilities of Management and Those Charged with Governance for the Statement**

5. The Statement, which is the responsibility of the Holding Company's management and has been approved by the Holding Company's Board of Directors, has been prepared on the basis of the consolidated annual audited financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit or loss after tax and other comprehensive income, and other financial information of the Group and a joint venture in accordance with the accounting principles generally accepted in India, including the Ind AS prescribed under section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the Statement. Further, in terms of the provisions of the Act, the respective Board of Directors/ management of the companies included in the Group and a joint venture, covered under the Act, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Group and a joint venture, 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 results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.
6. In preparing the Statement, the respective Board of Directors/ management of the companies/ entities included in the Group and its joint venture, are responsible for assessing the ability of the Group and of joint venture, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
7. The respective Board of Directors/ management of the companies included in the Group and its joint venture, are responsible for overseeing the financial reporting process of the companies/ entities included in the Group and its joint venture.

## **Auditor's Responsibilities for the Audit of the Statement**

8. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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, specified under section 143(10) of the Act, 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 this Statement.
9. As part of an audit in accordance with the 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 Statement, 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 Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



## Asian Oilfield Services Limited

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 ability of the Group and its joint venture, 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 Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the financial statements of the entities within the Group and its joint venture, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. For the other entities included in the Statement, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
10. We communicate with those charged with governance of the Holding Company and such other entities included in the Statement, of which we are the independent auditors, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. 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.
12. We also performed procedures in accordance with SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019, issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

#### **Other Matters**

13. We did not audit the annual financial statements of four (4) subsidiaries included in the Statement, whose financial statements (before eliminating inter-company transactions and balances) reflects total assets of INR 19,359.97 lakhs as at 31 March 2020, total revenues of INR 26,475.47 lakhs, total net profit after tax of INR 3,142.32 lakhs, total comprehensive income of INR 3,142.32 lakhs, and cash flows (net) of INR 5,732.41 lakhs for the year ended on that date, as considered in the Statement. These annual financial statements have been audited by other auditors whose audit reports have been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the audit reports of such other auditors, and the procedures performed by us as stated in paragraph 9 and paragraph 12 above.

Further, of these subsidiaries, three (3) subsidiaries, are located outside India, whose annual financial statements 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 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 balances and affairs of these subsidiaries, is based on the audit report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

# Walker Chandiok & Co LLP

**Asian Oilfield Services Limited**  
**Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the**  
**Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

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Our opinion is not modified in respect of these matters with respect to our reliance on the work done by and the reports of the other auditors.

14. The Statement also includes the Group's share of net profit after tax of Nil, and total comprehensive income of Nil for the period 1 April 2019 to 29 November 2019, in respect of one (1) joint venture, based on its interim financial information, which have not been audited by their auditors. These financial information have been furnished to us by the Holding Company's management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of aforesaid joint venture, is based solely on such unaudited financial information. In our opinion, and according to the information and explanations given to us by the management, these financial information is not material to the Group.

Our opinion is not modified in respect of this matter with respect to our reliance on the financial information certified by the Board of Directors.

15. The Statement includes the consolidated financial results for the quarter ended 31 March 2020, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to the third quarter of the current financial year, which were subjected to limited review by us.

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

**Rakesh R. Agarwal**  
Partner  
Membership No. 109632

**UDIN No:20109632AAAAFH8850**

Place: Mumbai  
Date: 18 June 2020

## **Annexure 1**

### **List of subsidiaries included in the Statement**

1. Asian Oilfield & Energy Services DMCC
2. AOSL Petroleum Pte. Limited
3. Ivorene Oil Services Nigeria Limited
4. AOSL Energy Services Limited
5. Optimum Oil & Gas Private Limited (from 30 November 2019)

### **List of joint venture included in the Statement**

1. Optimum Oil & Gas Private Limited (up to 29 November 2019)

*This space has been intentionally left blank.*