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Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Asian Energy Services Limited (formerly, Asian Oilfield Services Limited)

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of **Asian Energy Services Limited** (formerly, 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 (refer Annexure 1 for the list of subsidiaries and joint venture included in the Statement) for the quarter ended **30 June 2022**, 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), including relevant circulars issued by the Securities and Exchange Board of India ('SEBI') from time to time.
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.

Asian Energy Services Limited (formerly, Asian Oilfield Services Limited)
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4. With respect to the matters stated in Note 5(a), Note 5(b), Note 5(c) and Note 5(d) to the accompanying Statement, the following qualifications have been included in review report dated 09 August 2022 on the interim financial statements for the quarter ended 30 June 2022 of Asian Oilfield & Energy Services DMCC ('ADMCC'), a subsidiary of the Holding Company, issued by an independent firm registered in Dubai, United Arab Emirates and reproduced by us, as under:

- (a) "The Company's only customer M/s Ami International Petroleum Development OML 52 Company Limited had issued a notice of suspension of the contract (suspension notice) on November 16, 2020. Against the said suspension notice, the Company had issued notice of termination vide notice no. 2021-AOS-AMN-P002-0017 dated August 3, 2021 (termination notice) to terminate the contract with immediate effect. Subsequently, the Company had issued notice of suspension of termination till August 31, 2021 vide notice no. 2021-AOS-AMN-P002-0018 dated August 7, 2021 to amicably solve the matter. Such suspension of termination, after multiple extensions had been extended till May 31, 2022. Therefore, the suspension of termination period had expired on May 31, 2022. During the period under review, the Company has issued final notice for termination of contract vide notice no. 2022-AOS-AMN-P002-0003 dated June 08, 2022 to the customer and in turn, the customer has issued acknowledgment letter to accept the termination of contract vide notice no. GMD-A52-AOS-0622-LET-20001 dated June 10, 2022 with immediate effect. Accounts receivable & amount due from this customer for contract works amounting to USD 5,467,774/- & USD 76,161/- respectively remains unconfirmed and subject to impairment."

Our audit report dated 27 May 2022 on the consolidated financial results for the quarter and year ended 31 March 2022 and our review report dated 14 August 2021 on the consolidated financial results for the quarter ended 30 June 2021, were also qualified in respect of this matter.

- (b) "The Company has issued, notice of termination of contract, to its sub-contractors who were working on a project, after termination of contract with their customer [refer (a) above]. As represented to us by the management, the sub- contractors have acknowledged acceptance for termination without any additional charge, penalty, penal interest etc. The balances with some of such sub-contractors, amounting to USD 3,713,943/- remain unconfirmed."

Our audit report dated 27 May 2022 on the consolidated financial results for the quarter and year ended 31 March 2022 and our review report dated 14 August 2021 on the consolidated financial results for the quarter ended 30 June 2021, were also qualified in respect of this matter.

- (c) "Property, plant & equipment lying in Nigeria, of carrying value USD 1,002,739/- are stated at cost and has not been tested for impairment."

Our audit report dated 27 May 2022 on the consolidated financial results for the quarter and year ended 31 March 2022 was also qualified in respect of this matter.

- (d) "Advances to suppliers amounting to USD 853,702/- are subject to impairment (of which balance of USD 469,164/- remains unconfirmed)".

Our audit report dated 27 May 2022 on the consolidated financial results for the quarter and year ended 31 March 2022 was also qualified in respect of this matter.

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of other auditors referred to in paragraph 6 below, except for the possible effects of the matters described in previous paragraph, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

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6. We did not review the interim financial information/ interim financial results of three (3) subsidiaries included in the Statement, whose interim financial information/ interim financial results (before eliminating inter-company transactions) reflects total revenues of INR 23.68 lakhs, total net loss after tax of INR 497.72 lakhs and total comprehensive loss of INR 497.72 lakhs, for the quarter ended on 30 June 2022, as considered in the Statement. These interim financial information/ interim financial results have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

Further, of these subsidiaries, two (2) subsidiaries are located outside India, whose interim financial information/ interim financial results have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under the standard on review engagement applicable in their respective countries. The Holding Company's management has converted the interim financial information/ interim financial results of such subsidiaries from accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion, in so far as it relates to the balances and affairs of these subsidiaries is based on the review report of other auditors and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.

Our conclusion 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.

7. The Statement also includes the Group's share of net loss after tax of INR 0.66 lakhs and total comprehensive loss of INR 0.66 lakhs for the quarter ended on 30 June 2022 in respect of one (1) joint venture, based on its interim financial information, which has not been reviewed by its auditor, and has been furnished to us by the Holding Company's management. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this joint venture, is based solely on such unreviewed interim financial information. According to the information and explanations given to us by the management, these interim financial information is not material to the Group.

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

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

RAKESH
RAMAWATAR
AGARWAL



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RAMAWATAR AGARWAL
Date: 2022.08.10 13:56:55
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Rakesh R. Agarwal
Partner
Membership No:109632

UDIN:22109632AORS DR7849

Place: Mumbai
Date: 10 August 2022

Annexure 1

List of entities included in the Statement

Subsidiaries:

1. Asian Oilfield & Energy Services DMCC
2. AOSL Petroleum Pte Ltd
3. AOSL Energy Services Limited
4. Optimum Oil & Gas Private Limited

Joint venture:

1. Zuberi – Asian Joint Venture (from 04 May 2022)

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ASIAN ENERGY SERVICES LIMITED
(FORMERLY, ASIAN OILFIELD SERVICES LIMITED)

Regd. Office: 3B, 3rd Floor, Omkar Esquare, Chunabhatti Signal, Eastern Express Highway, Sion (East), Mumbai
CIN: L23200MH1992PLC318353

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2022

(INR in lakhs unless otherwise stated)

Sr. No.	Particulars	Quarter ended			Year ended
		30 June 2022 (Unaudited)	31 March 2022 (Refer note 3)	30 June 2021 (Unaudited)	31 March 2022 (Audited)
1	Income				
	(a) Revenue from operations	2,743.86	6,190.14	7,695.56	26,047.11
	(b) Other income	109.05	52.60	109.68	282.84
	Total income (a+b)	2,852.91	6,242.74	7,805.24	26,329.95
2	Expenses				
	(a) Project related expenses	2,047.34	3,576.61	3,907.52	15,254.59
	(b) Employee benefits expense	707.09	470.93	826.52	2,187.15
	(c) Finance costs	22.73	21.08	23.03	80.92
	(d) Depreciation and amortisation expense	597.20	681.56	685.97	2,768.81
	(e) Other expenses (Refer note 7)	523.16	482.58	462.74	1,971.41
	Total expenses (a+b+c+d+e)	3,897.52	5,232.76	5,905.78	22,262.88
3	Profit/(loss) before share of loss of a joint venture and tax (1-2)	(1,044.61)	1,009.98	1,899.46	4,067.07
4	Share of loss of a joint venture	(0.66)	-	-	-
5	Profit/(loss) before tax (3+4)	(1,045.27)	1,009.98	1,899.46	4,067.07
6	Tax expense				
	(a) Current tax :				
	- current period	-	244.45	-	331.12
	- earlier period	-	-	(162.08)	(162.08)
	(b) Deferred tax charge/ (credit)	(199.49)	(130.86)	-	16.92
	Total tax expense (a+b)	(199.49)	113.59	(162.08)	185.96
7	Net profit/(loss) after tax for the period (5-6)	(845.78)	896.39	2,061.54	3,881.11
8	Other comprehensive income/ (loss)				
	(a) Items not to be reclassified subsequently to profit or loss (net of tax):				
	- Gain/ (loss) on fair value of defined benefit plans	(8.20)	(31.30)	(0.51)	(32.83)
	- Changes in fair value of investments through other comprehensive income	10.01	-	-	-
	(b) Items to be reclassified subsequently to profit or loss:				
	- Exchange differences on translation of financial results of foreign operations	105.16	37.66	73.17	108.36
	Total other comprehensive income for the period, net of tax (a+b)	106.97	6.36	72.66	75.53
9	Total comprehensive income/(loss) for the period, net of tax (7+8)	(738.81)	902.75	2,134.20	3,956.64
	Net profit/(loss) after tax for the period attributable to:				
	Owners of the Holding Company	(845.78)	896.39	2,061.54	3,881.11
	Non-controlling interest	-	-	-	-
	Other comprehensive income/ (loss) for the period attributable to:				
	Owners of the Holding Company	106.97	6.36	72.66	75.53
	Non-controlling interest	-	-	-	-
	Total comprehensive income/(loss) for the period attributable to:				
	Owners of the Holding Company	(738.81)	902.75	2,134.20	3,956.64
	Non-controlling interest	-	-	-	-
10	Paid up equity share capital (Face value of INR 10 each)	3,769.37	3,769.37	3,769.37	3,769.37
11	Other equity				20,406.90
12	Earnings/ (loss) per share (Face value of INR 10 each)^				
	(a) Basic (not annualised) (in INR)	(2.24)	2.37	5.47	10.25
	(b) Diluted (not annualised) (in INR)	(2.24)	2.37	5.46	10.25
	(^ Quarterly figures are not annualised)				
	See accompanying notes to the consolidated unaudited financial results.				



NOTE 1: STATEMENT OF CONSOLIDATED UNAUDITED SEGMENT INFORMATION FOR THE QUARTER ENDED 30 JUNE 2022

Sr. No.	Particulars	Quarter ended			(INR in lakhs)
		30-Jun-22	31-Mar-22	30-Jun-21	Year ended 31 March 2022
1	Segment revenue from operations				
a)	Oil & gas	1,929.07	2,477.10	6,633.09	18,887.37
b)	Mineral & other energy sectors	814.79	3,713.04	1,062.47	7,159.74
	Total segment revenue from operations for the period	2,743.86	6,190.14	7,695.56	26,047.11
2	Segment results				
a)	Oil & gas	(88.05)	175.85	2,635.48	5,452.08
b)	Mineral & other energy sectors	160.98	1,976.69	464.18	3,295.86
	Total segment results for the period	72.93	2,152.54	3,099.66	8,747.94
Less:-	Depreciation and amortisation expense	597.20	681.56	685.97	2,768.81
Add:-	Other income	109.05	52.60	109.68	282.84
Less:-	Finance costs	22.73	21.08	23.03	80.92
Less:-	Other unallocable expenses	606.67	492.52	600.88	2,113.98
	Profit/(loss) before share of loss of a joint venture and tax	(1,044.61)	1,009.98	1,899.46	4,067.07
Less:-	Share of loss of a joint venture	0.66	-	-	-
	Profit/(loss) before tax for the period	(1,045.27)	1,009.98	1,899.46	4,067.07

1) The Group is primarily engaged into the business of providing services in energy sector. From the quarter ended 31 March 2022, the Chief Operating Decision Maker (CODM) had started measuring the Group's performance indicators by the sectors in which the customers have their presence. Accordingly, information for the quarter ended 30 June 2021 and year ended 31 March 2022 have been rearranged to conform to current period's reportable segments.

2) The main segments of the Group are:

- (a) Oil & gas - consists of services provided to customers having their presence in oil and gas sector.
- (b) Mineral & other energy sectors - consists of services provided to customers having their presence in coal, power and other energy sectors.

3) The CODM does not review assets and liabilities for each operating segment separately, hence segment disclosures relating to total assets and liabilities have not been furnished.

4) Segment results represents the profit/(loss) before depreciation and amortisation, finance costs and tax expense earned by each segment without allocation of other income and unallocable expenses.

5) Employee benefit expenses and other expenses that cannot be allocated between segments are shown as other unallocable expenses.



Notes:

- 2 The above consolidated unaudited financial results for the quarter ended 30 June 2022 have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard prescribed 34 ('Ind AS 34') prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and are in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). These results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 10 August 2022. The statutory auditors have carried out a limited review of the above results for the quarter ended 30 June 2022.
- 3 Figures for the quarter ended 31 March 2022 are the balancing figures between the audited figures for the full financial year ended 31 March 2022 and published year to date figures upto the nine months period ended 31 December 2021, which were subjected to a limited review by the statutory auditors.
- 4 The above consolidated unaudited financial results includes the financial results of the Holding Company, its subsidiaries viz. Asian Oilfield & Energy Services DMCC ('ADMCC'); AOSL Petroleum Pte. Limited ('APPL'); AOSL Energy Services Limited ('AESL') and Optimum Oil & Gas Private Limited ('OOGPL') (together referred to as 'Group') and a Joint Venture namely Zuberi - Asian Joint Venture (effective 04 May 2022). ADMCC and APPL are located outside India, whose financial results have been prepared in accordance with accounting principles generally accepted in their respective countries. The Holding Company's management has converted the financial results of these subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. The interim financial information of the joint venture is not material to the Group.
- 5(a) ADMCC's customer 'Amni International Petroleum Development OML 52 Company Limited' (AMNI) had issued notice of suspension of work effective 16 November 2020, on account of certain technical challenges faced by AMNI. Accordingly, the suspension had temporarily ceased all the work under the contract from the aforesaid date. Against the said notice from AMNI, ADMCC has issued notice of termination vide notice no. 2021-AOS-AMN-P002-0017 dated 3 August 2021 to terminate the contract with immediate effect based on contractual terms. Subsequently, without prejudice, to amicably resolve the matter, ADMCC has issued notice to AMNI regarding suspension of the termination till 31 August 2021 (moratorium period) vide notice no. 2021-AOS-AMN-P002-0018 dated 7 August 2021. Such suspension of termination, after multiple extensions was extended till 31 May 2022. During the current quarter, ADMCC has issued final notice for termination of contract vide notice no. 2022-AOS-AMN-P002-0003 dated 08 June 2022 to AMNI and in turn, AMNI has issued acknowledgment letter to accept the termination of contract vide notice no. GMD-A52-AOS-0622-LET-20001 dated 10 June 2022 with immediate effect. Trade receivables and other current assets as at 30 June 2022 includes INR 4,316.38 lakhs (USD 5,467,774) and INR 60.12 lakhs (USD 76,161) respectively, receivable from AMNI. Based on the current stage of discussion with AMNI and considering the contractual right to receive the outstanding amount, ADMCC's management is confident of recovery of these receivables and assets and accordingly believes that no further adjustments are required in consolidated financial results.
- 5(b) There are certain trade payables amounting to INR 2,931.86 lakhs (USD 3,713,943) directly linked to the project executed with AMNI, which are subject to confirmation. As the contract with AMNI is terminated, notice of termination is sent to these vendors as well. ADMCC's management is confident that incremental dues, if any, towards these vendors arising on account of this termination shall not be material and accordingly no further adjustments are required in consolidated financial results.
- 5(c) There are certain items in the property, plant and equipment of ADMCC lying in Nigeria with a carrying value of INR 791.58 lakhs (USD 1,002,739) whose physical verification could not be carried out owing to the certain challenges faced due to travel and local restrictions. ADMCC's management is confident of the existence and use of these assets and accordingly believes that no adjustments are required in consolidated financial results.
- 5(d) As at 30 June 2022, the books of ADMCC includes advances to suppliers amounting to INR 673.93 lakhs (USD 853,702), out of which a balance of INR 303.56 lakhs (USD 384,538) gets eliminated in the consolidated results of the Group. The remaining balance amount of INR 370.37 lakhs (USD 469,164) are subject to confirmation. ADMCC's management is confident of realisability of such unconfirmed advances and accordingly believes that no adjustments are required in the consolidated financial results.
- 6 The consolidated results and standalone results for the quarter ended 30 June 2022 and statutory auditors' review report thereon are available on the Holding Company's website - www.asianenergy.com.
- 7 Other expenses also includes the expenditure incurred towards travel and conveyance, security expenses and legal and professional charges for the projects undertaken by the Group.

For Asian Energy Services Limited (formerly known as Asian Oilfield Services Limited)


Ashutosh Kumar
Whole Time Director and CEO
DIN: 06918508



Place: Mumbai
Date: 10 August 2022