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**Walker Chandiook & Co LLP**

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## Independent Auditor's Report on Standalone 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 Energy Services Limited

### Opinion

1. We have audited the accompanying standalone annual financial results ('the Statement') of **Asian Energy Services Limited** ('the Company') for the year ended **31 March 2023**, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations; and
  - (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 ('the Act'), read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the standalone net loss after tax and other comprehensive income and other financial information of the Company for the year ended 31 March 2023.

### 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 Statement* 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 ('the ICAI') together with the ethical requirements that are relevant to our audit of the Statement 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 is sufficient and appropriate to provide a basis for our opinion.



## Asian Energy Services Limited

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

#### Emphasis of Matter

4. We draw attention to Note 10 to the accompanying Statement, regarding the Company's investments amounting to INR 651.50 lakhs in its wholly owned subsidiary company, Asian Oilfield and Energy Services DMCC ('ADMCC') as on 31 March 2023. In the current year, ADMCC has incurred losses and the contract with its only customer has been terminated. ADMCC is in the process of negotiations with the aforesaid customer for recovering the amounts due including proposal for novation of liability towards its vendors as explained further in the aforesaid note. Accordingly, the Company's management believes that ADMCC's funds attributable to the Company in its capacity as a shareholder exceeds the carrying value of investment in the accompanying Statement and accordingly, no impairment in the carrying amount of such investment is required to be made in the accompanying Statement. Our opinion is not modified in respect of this matter.

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

5. This Statement has been prepared on the basis of the standalone annual financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Company in accordance with the Ind AS specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations. 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 Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
6. In preparing the Statement, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### 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, specified under section 143(10) of the Act, 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.



**Asian Energy Services Limited**

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

- 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 in place an adequate internal financial controls with reference to financial statements 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 the Board of Directors.
  - Conclude on the appropriateness of the Board of Directors' 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 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 Company 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.
10. 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.
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.

**Other Matter**

12. The Statement includes the standalone financial results for the quarter ended 31 March 2023, being the balancing figures between the audited figures in respect of the full financial year ended 31 March 2023 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to limited review by us.

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



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

**UDIN: 23109632BGXEAW9177**

**Place:** Mumbai  
**Date:** 24 May 2023

ASIAN ENERGY SERVICES LIMITED



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CIN: L23200MH1992PLC318353

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2023

(INR in lakhs unless otherwise stated)

Sr. No.	Particulars	Quarter ended			Year ended	
		31 March 2023 (Refer note 4)	31 December 2022 (Unaudited)	31 March 2022 (Refer note 4)	31 March 2023 (Audited)	31 March 2022 (Audited)
1	<b>Income</b>					
	(a) Revenue from operations	2,860.87	2,889.33	6,188.06	10,987.03	25,413.86
	(b) Other income (Refer note 7)	152.14	56.04	60.89	385.49	1,395.30
	<b>Total income (a+b)</b>	<b>3,013.01</b>	<b>2,945.37</b>	<b>6,248.95</b>	<b>11,372.52</b>	<b>26,809.16</b>
2	<b>Expenses</b>					
	(a) Project related expense	2,006.61	1,989.89	3,519.98	7,499.03	14,501.69
	(b) Employee benefits expense	559.70	661.67	460.48	2,812.78	2,153.19
	(c) Finance costs	40.77	107.36	23.39	247.77	81.18
	(d) Depreciation and amortisation expense	368.55	472.51	463.13	1,776.30	1,716.46
	(e) Other expenses (Refer note 6)	406.24	355.91	485.16	1,772.92	1,892.52
	<b>Total expenses (a+b+c+d+e)</b>	<b>3,381.87</b>	<b>3,587.34</b>	<b>4,952.14</b>	<b>14,108.80</b>	<b>20,345.04</b>
3	<b>Profit/ (loss) before exceptional item and tax (1-2)</b>	<b>(368.86)</b>	<b>(641.97)</b>	<b>1,296.81</b>	<b>(2,736.28)</b>	<b>6,464.12</b>
4	Exceptional item - loss (Refer note 8)	-	-	-	(208.50)	-
5	<b>Profit/ (loss) before tax (3+4)</b>	<b>(368.86)</b>	<b>(641.97)</b>	<b>1,296.81</b>	<b>(2,944.78)</b>	<b>6,464.12</b>
6	<b>Tax expense</b>					
	(a) Current tax :-					
	- current period	-	-	244.45	-	331.12
	- earlier period	-	-	-	-	(162.08)
	(b) Deferred tax charge/ (credit)	-	195.91	(130.86)	(16.92)	16.92
	<b>Total tax expense (a+b)</b>	<b>-</b>	<b>195.91</b>	<b>113.59</b>	<b>(16.92)</b>	<b>185.96</b>
7	<b>Net profit/ (loss) after tax for the period (5-6)</b>	<b>(368.86)</b>	<b>(837.88)</b>	<b>1,183.22</b>	<b>(2,927.86)</b>	<b>6,278.16</b>
8	<b>Other comprehensive income/ (loss)</b>					
	(a) Items not to be reclassified subsequently to profit or loss (net of tax)					
	- Gain/ (loss) on fair value of defined benefit plan	84.34	(8.20)	(31.30)	59.74	(32.83)
	- Changes in fair value of investments through other comprehensive income	-	4.22	-	23.42	-
	(b) Items to be reclassified subsequently to profit or loss	-	-	-	-	-
	<b>Total other comprehensive income/ (loss) for the period, net of tax</b>	<b>84.34</b>	<b>(3.98)</b>	<b>(31.30)</b>	<b>83.16</b>	<b>(32.83)</b>
9	<b>Total comprehensive income/ (loss) for the period, net of tax (7+8)</b>	<b>(284.52)</b>	<b>(841.86)</b>	<b>1,151.92</b>	<b>(2,844.70)</b>	<b>6,245.33</b>
10	Paid up equity share capital (Face value of INR 10 each)	3,769.37	3,769.37	3,769.37	3,769.37	3,769.37
11	Other equity				15,587.17	18,428.55
12	<b>Earnings/ (loss) per share (Face value of INR 10 each)^</b>					
	(a) Basic (in INR)	(0.98)	(2.22)	3.12	(7.77)	16.59
	(b) Diluted (in INR)	(0.98)	(2.22)	3.12	(7.77)	16.59
	(^ Quarterly figures are not annualised)					
	See accompanying notes to standalone financial results.					



NOTE 1: STANDALONE STATEMENT OF ASSETS AND LIABILITIES		
(INR in lakhs)		
Particulars	As at 31 March 2023 (Audited)	As at 31 March 2022 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	8,720.90	9,924.07
Intangible assets	3.30	28.10
Right of use assets	299.13	365.02
Financial assets		
Investment in subsidiaries	673.95	653.55
Investment in joint ventures	-	-
Investment other than above	623.42	600.00
Loans	4.65	196.75
Other financial assets	1,143.09	461.13
Income tax assets (net)	287.08	291.26
Deferred tax assets (net)	-	-
Other non-current assets	253.00	234.07
	<b>12,008.52</b>	<b>12,753.95</b>
<b>Current assets</b>		
Financial assets		
Current investments	1,314.93	-
Trade receivables	6,558.66	5,176.56
Cash and cash equivalents	1,663.82	2,695.45
Bank balances other than above	964.98	2,226.55
Loans	916.43	200.64
Other financial assets	254.18	899.03
Unbilled work in progress (contract assets)	-	2,099.70
Other current assets	1,525.64	1,079.33
	<b>13,198.64</b>	<b>14,377.26</b>
<b>Total assets</b>	<b>25,207.16</b>	<b>27,131.21</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	3,769.37	3,769.37
Other equity	15,587.17	18,428.55
	<b>19,356.54</b>	<b>22,197.92</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	259.47	252.20
Lease liabilities	104.29	15.50
Provisions	35.77	60.20
Deferred tax liabilities (net)	-	16.92
Other non-current liabilities	101.99	90.00
	<b>501.52</b>	<b>434.82</b>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	1,653.28	480.86
Lease liabilities	659.47	951.71
Trade payables		
- total outstanding dues of micro and small enterprises	396.90	487.93
- total outstanding dues of trade payables other than micro and small enterprises	1,034.25	2,384.70
Other financial liabilities	194.12	100.00
Provisions	2.02	17.33
Other current liabilities	1,409.06	75.94
	<b>5,349.10</b>	<b>4,498.47</b>
<b>Total equity and liabilities</b>	<b>25,207.16</b>	<b>27,131.21</b>



## NOTE 2: STANDALONE STATEMENT OF CASH FLOWS

(INR in lakhs)

Particulars	Year ended	
	31 March 2023 (Audited)	31 March 2022 (Audited)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/ (loss) before tax	(2,944.78)	6,464.12
<b>Adjustments for non cash items and items considered separately:</b>		
Depreciation and amortisation expense	1,776.30	1,716.46
Interest expense	97.77	49.68
Interest income	(348.91)	(263.32)
Dividend income from subsidiary	-	(1,112.78)
Liabilities/ provision written back	(91.78)	(73.55)
Exceptional item (Refer note 8)	208.50	-
Profit on sale of property, plant and equipment (net)	-	(1.06)
Provision towards doubtful trade receivables	61.92	80.42
Unrealized loss on foreign currency transactions	32.65	31.97
Gain on mutual fund investments	(14.93)	-
Sundry balances written off	151.44	2.70
Employee stock option expense	3.23	7.39
<b>Operating profit/ (loss) before working capital changes</b>	<b>1,876.19</b>	<b>437.91</b>
	<b>(1,068.59)</b>	<b>6,902.03</b>
<b>Adjustments for changes in working capital:</b>		
(Increase)/ Decrease in trade receivables	(1,444.00)	636.74
(Increase)/ Decrease in other assets	(601.47)	283.91
(Increase)/ Decrease in other financial assets	(73.14)	-
(Increase)/ Decrease in unbilled work in progress (contract assets)	2,099.70	957.60
(Investment in)/ redemption of fixed deposits not considered as cash and cash equivalents	1,261.57	(2,111.74)
Increase/ (Decrease) in trade and other payables	(1,382.58)	(1,191.84)
Increase/ (Decrease) in provisions	20.00	53.35
Increase/ (Decrease) in other liabilities	1,434.69	14.18
	<b>1,314.77</b>	<b>(1,357.80)</b>
<b>Cash generated from operating activities</b>	<b>246.18</b>	<b>5,544.23</b>
Refund / (payment) of direct taxes (net)	53.33	87.89
<b>Net cash generated from operating activities</b>	<b>299.51</b>	<b>5,632.12</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (including capital creditors and capital advances)	(129.49)	(4,234.91)
Proceeds from disposal of property, plant and equipment	-	1.06
Purchase of intangible assets	-	(0.47)
Investment in convertible notes	-	(600.00)
Investment in a subsidiary	(20.40)	-
Inter-corporate deposits given	(1,200.00)	(500.00)
Inter-corporate deposits repayment received	532.83	300.00
Investment in mutual fund	(1,400.00)	-
Redemption of mutual fund	100.00	-
Loan to subsidiary	1.43	-
Dividend received from subsidiary	-	1,112.78
Interest income received	179.12	69.43
<b>Net cash used in investing activities</b>	<b>(1,936.51)</b>	<b>(3,852.11)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of long-term borrowings	(55.26)	(40.47)
Proceeds from long-term borrowings	80.00	125.00
Proceeds from short-term borrowings (net)	1,155.97	400.00
Proceeds from issue of equity shares (including securities premium)	-	247.28
Payment of lease liabilities	(477.57)	(310.43)
Interest paid on borrowings	(79.17)	(34.11)
Interest paid on lease liabilities	(18.60)	(15.57)
<b>Net cash generated from financing activities</b>	<b>605.37</b>	<b>371.70</b>
<b>Net (decrease)/ increase in cash and cash equivalents (A+B+C)</b>	<b>(1,031.63)</b>	<b>2,151.71</b>
Cash and cash equivalents at the beginning of the year	2,695.45	543.74
<b>Cash and cash equivalents at the end of the year</b>	<b>1,663.82</b>	<b>2,695.45</b>



**Notes:**

- 3 The above standalone financial results (the 'results') are prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, 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 24 May 2023.
- 4 Figures for the quarters ended 31 March 2023 and 31 March 2022 are the balancing figures between the audited figures for the full financial year and published year to date figures upto the third quarter of the relevant financial year, which were subjected to limited review by the statutory auditor.
- 5 The Company publishes standalone financial results along with the consolidated financial results. Accordingly, as per Ind AS 108 'Operating Segments', no disclosures related to the segments are presented in these standalone financial results.
- 6 Other expenses also includes the expenditure incurred towards travel and conveyance, security expenses and legal and professional charges for the projects undertaken by the Company.
- 7 Other income includes the below:

Particulars	Quarter ended			Year ended	
	31 March 2023	31 December 2022	31 March 2022	31 March 2023	31 March 2022
Dividend income from a wholly owned subsidiary	-	-	-	-	1,112.78

- 8 Exceptional item for the year ended 31 March 2023 represents provision created towards loan given to a subsidiary including interest accrued thereon.
- 9 During the quarter ended 31 March 2023, the Company has granted 380,000 employee stock options to the eligible employees including that of group company, under Employee Stock Option Plan, 2021.
- 10 As at 31 March 2023, the Company has an investment of INR 651.50 lakhs in its wholly owned subsidiary company, Asian Oilfield and Energy Services DMCC ('ADMCC'). Also, the Company has payable of INR 436.89 lakhs (USD 531,391) to ADMCC. In the current year, ADMCC has incurred losses amounting to INR 3,806.81 lakhs (USD 4,735,349) and the contract with its only customer has been terminated. ADMCC has contractual right to receive the outstanding amount from its customer towards the work carried out till the date of suspension of work, in addition to other remedies available under the contract. The customer of ADMCC has been settling its obligations on regular basis and post suspension of project, ADMCC has been able to realise significant amount of its receivables. At present, such customer is in advance stage of carrying out novation of one of the vendor's balance of INR 2,119.34 lakhs (USD 2,577,744), pursuant to which the project liability and customer receivable shall reduce with an equivalent amount. ADMCC is confident of the recoverable value of its property, plant and equipment and has some capital assets that are completely depreciated, but because of their utility, these assets have a value that is higher than the salvage amount. The management remains positive regarding realization of project related assets and settling project related liabilities based on discussion with the aforesaid customer as part of its overall settlement. At present, the net worth of ADMCC is 893.84 lakhs (USD 1,087,169) which is higher than the carrying value of investment in the books of the Company.

Basis the facts mentioned above and considering the expected settlement between ADMCC and its customer in foreseeable future, Management is confident of realising the value of its investments in ADMCC and accordingly no impairment has been recognised in the standalone financial results.

For Asian Energy Services Limited

Ashutosh Kumar  
Whole Time Director and Chief Executive Officer  
DIN: 06918508

Place: Mumbai  
Date: 24 May 2023

